

Purchasing Week

MCGRAW-HILL'S NATIONAL NEWSPAPER OF PURCHASING

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\$6 a Year

Need Help, Major Roads Tell Congress

Washington—The nation's major railroads have asked congress to help them out of a "deteriorating situation" which they say threatens to see the rails in bankruptcy or as wards of the government.

In testimony before a Senate subcommittee, railroad spokesmen last week called for a number of reforms in government transportation policy, including repeal of the 3% excise tax on rail shipments.

Daniel P. Loomis, president of the Association of American Railroads, told the Surface Transportation Subcommittee of the Senate's Interstate and Foreign Commerce unit:

"The freight tax discriminates between long-haul and short-haul carriage to common markets. This tends to disrupt normal market relationships."

Loomis said shippers remote from their markets are prepared to pay the long-haul cost of transportation, but that the extra tax costs may determine whether the shipment is to be made at all. Long-distance shippers must compare their expected margin of profit to the market place's competitive price set by short-haul shippers with lower transportation costs, he said.

Taxes paid the federal government for the fiscal year ended
(Continued on page 25)

N.Y.C. - Penn Tie May Cut Rates

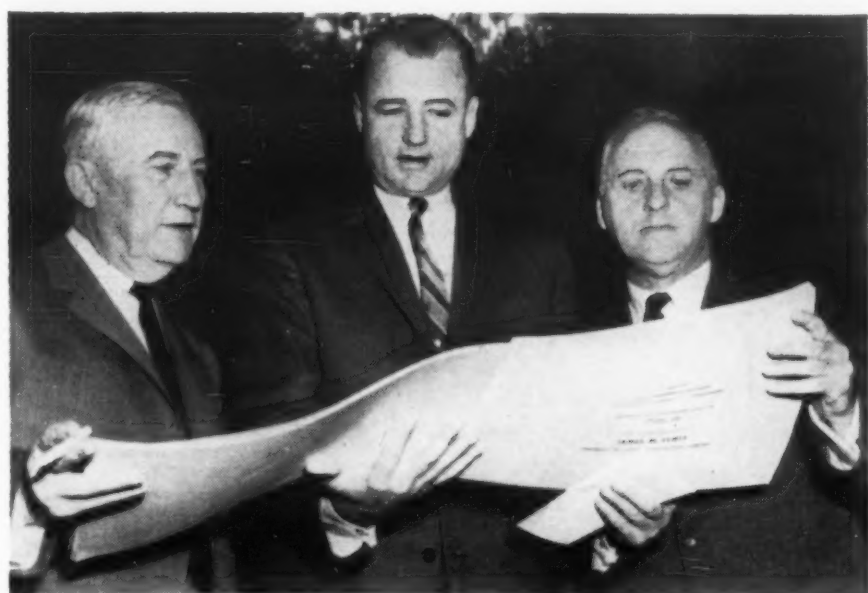
New York—The New York Central and Pennsylvania Railroad have proposed merger of the two biggest giants of the rail industry. In support of this bold venture, officials of both roads assert freight shippers would benefit from such an amalgamation of transportation resources.

P.R.R. President James M. Symes, optimistic that a merger would be a successful move, listed for PURCHASING WEEK the possible shipping advantages.

There is no doubt in my mind that shippers and receivers alike generally would receive improved service and lower rates.

We ought to be able to improve freight service and provide more frequent service over the most efficient route. And, too, an increase in efficiency will make more money available for improvements to plant and equipment which would benefit shippers.

New York Central President Alfred E. Perlman says pooling facilities of the two railroads
(Continued on page 26)



KEY FIGURES IN SMATHERS COMMITTEE HEARINGS were J. H. Symes, left, Pennsylvania R.R.; Senator Smathers; A. E. Perlman, N.Y. Central.

Record Peacetime U.S. Budget Clarified for Purchasing Agents

Washington—For purchasing agents the \$74.4-billion budget proposed by President Eisenhower has much significance. But to get a clear understanding of it, here are the key points to remember:

- It is the largest peacetime budget ever proposed.
- The government is the largest customer in the country. It buys many products from thousands of firms and individuals.
- Purchasing agents for these firms will have to buy the materials so that their firms can produce the products ordered by the government.
- The huge purchases made by
(Continued on page 4)

P.A.'s Dislike Prestating Terms

Boston—New England purchasing agents decided that prebidding terms and conditions of bids is not a good idea.

In an unusual forum held last Monday under the auspices of the New England Purchasing Agents Association more than 60 purchasing agents broke into small groups to discuss eight questions in the purchasing field and came up with these solutions:

Prestating terms and conditions of bids is not good practice for private concerns unless all bids are opened and announced. Unsuccessful bidders should be told why they did not get the business in broad terms instead of specifics.

In discussing suppliers, forum consensus was that competitors should be given all possible data
(Continued on page 26)

Steel Production Rise Expected for Third Week

New York—Steel production was scheduled to rise for the third consecutive week last week. Anticipation of a further slight boost in output came as the American Iron and Steel Institute announced that United States raw steel-making capacity had climbed
(Continued on page 26)

Lease Your Trucks

When you want to save working capital for your company, lease your trucks instead of buying them. For a full explanation of the advantages see the feature story on page 16.

Copper Prices To Remain Weak

New York—Purchasing executives will still have to sweat out the jumpy copper market. Last week's 2 cents per pound cut by domestic producers was not unexpected. There's just too much copper, not enough buyers to keep tags firm. The producer copper price (25 cents per pound) is now at the lowest level in nearly five years.

To be sure, Chile's decision to cut back production of the red metal by some 10% will be a bolstering factor. But spottiness will continue until the huge stocks now overhanging the market are cut.

Note also, the Chilean decision to cut output is by no means a sure thing. A spokesman for the South American government emphasized a revision of the action would be considered if other world producers did not follow suit. It means all major producers will have to agree to adjust production to demand.

The near-term price outlook is being further complicated by two other forces:

- Spread between London and U.S. prices.
- Production costs.

The U.S.-London spread has tended to keep prices under pressure. Last week (even with the new price cut), you could buy the red metal in London, ship it to America—and still come up with a lower price than if you had bought it here in the first place.

So it's hard to see how the American price can rise until London quotations perk up.

Costs of production, on the other hand, have tended to work
(Continued on page 9)

Stockpiling Funds Cut to Minimum

Washington — Government spending on stockpiling and purchase supports of domestic metals and minerals will be held to a minimum. This is evident from President Eisenhower's 1959 fiscal budget. Here is the picture:

- Government stockpiling is not dead yet, but its long-expected demise will be hastened by a smaller budget and the policy recommendations of the Office of Defense Mobilization's stockpile advisory committee.
- New missile money may boost military demand for some lighter metals, but cuts in aircraft will continue to hurt even aluminum and titanium. Military demands for base metals will drop even further.
- This is the year of tariff protection, with many metals producers following the lead of zinc
(Continued on page 4)

— This Week's —

Purchasing Perspective

JAN. 20-26

Many a thorn hides in the bed of roses laid out for the purchasing agent during a buyer's market. It may be nice to have a line of suppliers outside the purchasing department door each morning, but that doesn't necessarily make things easy for the P.A.

There's always the problem of guaranteeing that the new supplier who wins the needed business can match the older competitor in quality, service, and cooperation. The decision can't always be easy during these times when brand new sales faces show up daily with tempting new prices and other buy-benefits.

Actually, price alone may not be the answer to a purchasing problem during these days when there's more price cutting than meets the eye (see 'Hard Selling,' above). Certainly some "deals"
(Continued on page 25)

'Hard Selling' Giving P.A.'s A Soft Time

New York—Hordes of salesmen... better service... longer billing times... keener competitive bidding. These, along with spreading price concession on scattered types of industrial goods have distinguished the rising pressure of the "hard sell" sparked by the current business slowdown.

Purchasing agents, besieged by salesmen clamoring for orders, reported to PURCHASING WEEK this week that prices generally are holding firm with spotty exceptions. The more optimistic P.A.'s are looking for further price concessions in the future. But at the moment, there's enough price cutting on certain items and offers of better purchase deals to make a P.A.'s life interesting. And purchasing executives are enjoying to the hilt the life of Riley brought on by a real buyer's market.

The daily invasion of salesmen is evoking as much or more comment than the prospect of price deals.

"Up to five times as many companies who never sent salesmen before are calling on us now," P. A. Floyd Ware of Minne-
(Continued on page 25)

Teamsters Keep 'Hot Cargo' Clause

New York—The Teamsters' Union intends to continue using the controversial "Hot Cargo" clauses in labor contracts with employers until a court test is made of the Interstate Commerce Commission's recent ruling against such clauses.

President James Hoffa talked with union lawyers and, upon their advice, told union locals to keep the clauses in current contracts until the "Hot Cargo" case is reviewed by the U.S. Supreme Court.

Under terms of contracts containing "Hot Cargo" clauses, trucking firms or other employers
(Continued on page 27)

Ignoring Buying, 'Road to Oblivion'

Cleveland—A steel industry executive declared last week underestimation of a corporation's purchasing function is surely a "road to business oblivion."

Addressing the Cleveland chapter of the National Assn. of Purchasing Agents, Thursday, Allison R. Maxwell, president of the Pittsburgh Steel Co. said:

"Unless we fully appraise the purchasing department as a part
(Continued on page 4)



Reduced Operations, Spotty Prices That's Oil Picture of 1958

Domestic Demand Will Rise About 3% Because of More Homes, Autos; President Tries to Limit Imports

New York—Reduced operations for U. S. oil producers are likely to continue through spring. Prices will remain spotty. That's the general picture for most petroleum products as they enter a very uncertain year.

The '58 picture is neither bright nor clear. Best guess is for a 2-3% increase in domestic demand. That stems from new homes and more automobile use. But just about all of this will have to wait until the second-half.

Total demand, however, should just about match the '57 level. The domestic demand increase will be eaten up by declining European needs.

Current outlook is an extension of trend that started in 1957. Total '57 demand for U. S. crude was only 2% above '56—the smallest year-to-year gain since 1950. And actual domestic demand was just a shade under '56.

Heavy first-half '57 consumption was a combination of Suez primed European needs and upped use from booming industrial activity at home. But the second-half brought an end to both of these situations and a resulting sharp drop in demand.

Import Program

The President's voluntary oil import restriction is aimed at brightening the oil picture. This plan to readjust supply and demand and stimulate domestic prospecting may be the first import program to work. Foreign shipments were reported to be in line with the program's recommendations for the first time in November and December.

With the program now extended to the Pacific Coast states, chances of success are enhanced. The companies under the program have already reported that winter imports of crude will be 10% under last year. And the industry is likely to hold the line rather than risk the chance of congressional legislation.

Success of the import program, however, will not solve all of oil's problems. Producers still have to work out a logical seasonal production schedule. Until that time comes "overall supply" will be the industry's big headache. For P.A.'s it means a general continuation of price weakness along most of the petroleum spectrum.

The present petroleum price picture is spotted with cuts and discounts. Humble Oil Co.'s cut of 10¢ a bbl. in its Southwest Texas posting was a sharp blow to the crude price structure. But since so much crude was moving at lower prices, Humble had no other choice.

With the oversupply situation hanging over the industry and inventories up 10% from last year general price cut seems likely.

Price discounts have not been limited to crude alone. Gasoline price wars have been springing up in many key states including Pennsylvania and Virginia. And nationwide, stocks have been rising despite production cutbacks. They're now 6% above last year.

The situation has led to new demands to tie crude tariff hikes to the extension of the reciprocal

trade act scheduled for June. Chances for this are only fair.

There is a possibility, however, of further "voluntary" import restrictions. This, plus production cutbacks, could firm oil prices by early summer. First indication of such a situation is likely to be the gradual disappearance of spot gasoline discounts this spring.

All a 'Sporting' Chance

Erie, Pa.—"As long as they run" seems to be the only qualification Safety Director Michael Cannavino wants met in advertising for bids to provide the city with eight new cars and one station wagon.

"I want everyone to have a chance," he said. Cannavino declared listing wheelbase and other factors tends to eliminate certain bidders.

City Council will have to consider the bids carefully, for as one city official pointed out, Cannavino may end up with low bids for European cars.

J. & L. Head Predicts \$7 Increase

Pittsburgh—The head of the nation's fourth largest basic steel producer predicts a \$7-a-ton price increase by mid-year.

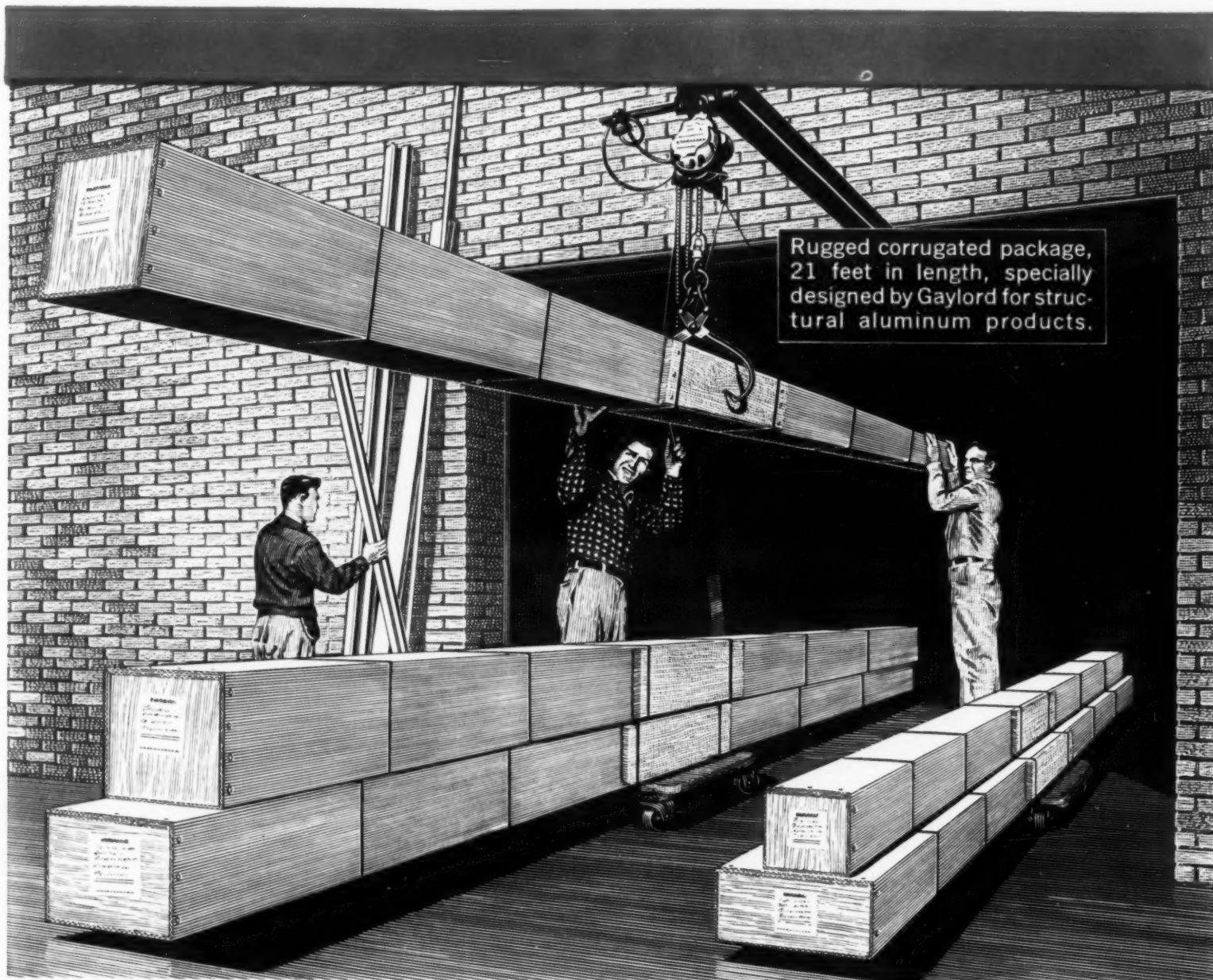
The forecast was made last week by Avery C. Adams, president of Jones & Laughlin Steel Corp., who also predicted an increase in the industry's operating rate each quarter this year.

Adams' price forecast was slightly higher than the average increase anticipated by producers polled earlier this month by PURCHASING WEEK (PW, Jan. 13 p 17).

The operating rate next sum-

mer probably will not affect the size of a price increase, said Adams, who noted that 1954 steel prices were increased during a drop in the ingot production rate. The J & L head said the cost "impact" was the chief consideration and that industry must recognize the labor cost increases of the three-year contract signed after the 1956 steel strike.

Adams pinned but one qualification to his forecast of a steadily rising steel production rate—the question of strike trouble in the Detroit automobile contract negotiations.

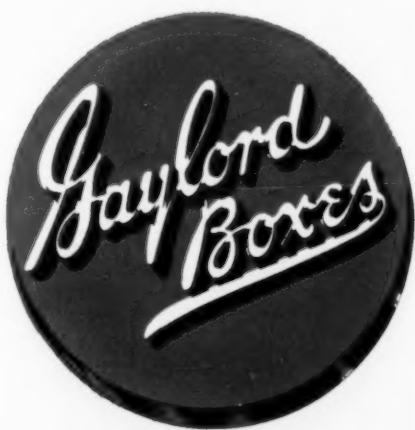


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Washington Perspective

JAN. 20-26

A full-scale investigation of prices and price-making processes in relation to economic stability and growth will be conducted by a joint economic committee sometime shortly after April 1. The hearing will be under the full committee of which Rep. Wright Patman (D. Tex.) is chairman.

Some 50 economists now are preparing papers for a compendium on "the relationship of prices to economic stability and growth". The compendium is expected to be ready for release around April 1, prior to the start of the hearings, and the participating economists will be the first witnesses. They will be followed by representatives of industry, labor, trade associations and consumer groups, who will be asked to address themselves to issues raised in the compendium.

Topics to be considered:

- The measurement of price changes and price relationships.
- Inter-relationships among prices, demands and costs.
- Inter-relationships among prices, employment, output incomes, and resources.
- Relationships between public policies, private pricing policies, price changes and price relationships.
- Formulating public policies for economic stability and growth.

• • •

More than meets the eye in the employment figures for December. Total increase in unemployment is only 200-thousand, but this comes in a month that usually shows a decline.

The continued fall off in manufacturing and construction are the biggest reasons for the advance in unemployment. Christmas employment kept the totals from going higher.

January will be a telltale month. Unless there is an unusual turnaround in production, the figure will go high—perhaps high enough to become a political problem. Most people in Washington believe that the administration can survive a short-term unemployment record of say 4 to 4½ million; but go above that then the pressure for remedial programs will grow.

An indicator of business softness in recent weeks can be found in the statistics on unemployment compensation claims. Not only are original claims going up—that is, people who have been out of work for a week—but the workers who go on for the first week are staying. This is the record: on Nov. 9, some one and a half million people were drawing unemployment compensation. On Dec. 28, more than 2 million were on the rolls. The stark statistics: on Nov. 16, some 300 thousand workers made their first claim; on January 4, some 530 thousand made their first claim. But, on Nov. 16, only some 1.3 million were still on unemployment pay, while on Dec. 28—the comparable date with Jan. 4—there were 2.4-million still on unemployed compensation.

Underemployment is another factor in the current situation. Some 150 thousand more workers are working less than 35 hours a week because they had been laid off.

The December figures, though disguised by Santa Claus, are not good. The question in Washington is, how long will the downturn go?

Washington estimates the downturn will be short lived. The big budget, the presidential recommendation for higher government salaries, the demands for costly materials all add up to prosperity. Indeed, Washington as a locality is foreseeing a good year for business.

• • •

If the mortgage market eases as predicted, the military services expect to place 50,000 family units of Capehart housing under contract on some 100 projects in 1958, doubling the 1957 rate.

Tight money held down this program of privately financed housing for military families during 1957. Most contractors obtained the financing for their projects from the Federal National Mortgage Assn., which had committed \$319 million of government funds to Capehart housing by the end of the year.

Only \$97 million of these government mortgage funds was available at the beginning of 1958, sufficient for starting about 6,300 units. Bidders on Capehart projects are on notice that they must find private sources of mortgage funds. Financing rules have been liberalized to allow discounting up to 4 points on Capehart mortgages, as an offset to the low interest rate of 4% fixed by law for these loans.

This discount privilege is already getting large investors interested in Capehart mortgages. And some mortgage brokers expect Capehart loans to be taken up at lower discounts of 3½ and 3 points in a few months, as the money market gets easier.

The Defense Dept. is not putting all its faith in Capehart. Its family housing office is developing a plan for a housing corporation that could raise funds in the private market to build needed projects. This plan—to be worked out and presented to Congress this year, officials hope—would back up and supplement the Capehart program—particularly if money stays tight and private investors don't come forward to take Capehart mortgages.

Ignoring Buying, 'Road to Oblivion'

(Continued from page one)

of top management, then we are underestimating the function and contribution sound purchasing can make."

Taking the area of inventory management as an example, the steel official said the P.A. would find it difficult to reduce his inventory quickly unless he were informed of corporate plans.

Maxwell described the P.A. as the "proper communicator" in a good buyer-seller relationship.

"As a steel producer," he said, "it is absolutely imperative that we know what our customers' steel plans and needs are. It works the other way too. The buyer has to know the supply picture if he is to discharge his responsibilities to his company."

The bedrock of good buyer-seller communications, he stressed, is formed by "complete openness and unqualified frankness. As purchasing men, I urge you to take your suppliers into your confidence as fully as you can," Maxwell continued. "Tell us your problems, tell us your plans."

"We don't ask that you divulge privileged information, anything that could damage your industry or your competitive position. Just as we steel producers look to our suppliers for their help, so are we eager as a trusted supplier to help where we can."

He said the more a supplier knows about a plant and a company's plans, the better job he can do for the P.A.; he will be able to plan and produce better.

"In the face of so many forecasts predicting a subdued pace of business during the first half of the year," Maxwell concluded, "much can be done, both positively and negatively, through using the correct philosophy in conducting our business."

"Better communications between all elements of business will eliminate those voids and pitfalls."

Search Continues for Missing Publisher

Miami — Numerous private yacht owners cooperated last week in continuing the search for New York magazine (Purchasing magazine) publisher, Harry Conover, missing with four others aboard his yawl, Revonoc, since Jan. 2.

Navy and Air Force searchers also combed the immense gulf area, but their hope of finding the 65-year-old sportsman was waning. Conover's friends still hoped, however, that he and his party beached safely in some isolated area.

How Defense Money Will Be Spent

Item	Spending		Spending Authority Including New Requests	
	Fiscal Year '58	Fiscal Year '59	Fiscal Year '58	Fiscal Year '59
(Millions of dollars)				
Total	38,900	39,800	36,600	39,100
Major Procurement and Production	13,800	13,700	11,400	13,400
Aircraft	7,500	6,900	5,800	5,900
Missiles	2,900	3,300	2,300	3,800
Ships	1,100	1,300	1,800	1,300
Combat vehicles	137	103	0	85
Support vehicles	129	169	39	249
Artillery	0	13	0	10
Weapons	15	5	2	16
Ammunition	321	224	114	253
Electronics & Communications	839	864	703	1,000
Production Equipment & Facilities	550	368	332	259
Other	306	494	391	448
Research and Development	1,800	2,000	1,800	2,300

Record Peacetime U.S. Budget Clarified for Purchasing Agents

(Continued from page one)

the government have a serious effect on all markets.

• Before the budget becomes official, there will be weeks of debate in Congress. During this period the budget will be changed. Each of its items will be carefully looked at. Some will be increased, some decreased, some eliminated, some added.

• When the final budget is approved, there is still no guarantee that this will hold during the coming year. The president can forbid departments he heads to spend the money granted. Congress often modifies the amounts already approved.

• Though the budget is for fiscal 1959, July 1, 1958, to June 30, 1959, some of the items won't be bought for years and for others authorization is for only part of the whole. This is especially true of construction projects where next year perhaps \$10 million will be set aside to build a portion of a \$40-million project.

Then why all the hullabaloo? The answer is "politics."

The budget is always prepared by the President and his chosen advisers; per se, his political opponents must challenge it. Furthermore it is so big and lists so many items that almost anyone can honestly oppose some.

If you want to see how big it is, send \$5.50 to the superintendent of documents, Washington 25, D. C. he will send you a 1,024-page book weighing nearly 4 lb.

But alert purchasing agents are looking for items in the budget that will affect them. Most of these are listed in the accompanying table. This is the defense portion which will require huge amounts of materials. Here the P.A. can envision tons of iron, steel, copper, tin, lead, etc., going into these products.

Most of the remainder of the budget goes into such non-material-using items as interest on debt, salaries, subsidies, etc. But P.A.'s remember that this money helps to bolster the economy. Much of it helps the consumer market.

And this brings up the point so often forgotten in budget stories. From where is the money coming. The answer is always the same—taxes. Thinking in the administration is that tax income will go up slightly. And as for any tax cuts, just forget them.

Stockpiling Funds Cut to Minimum

(Continued from page one)

producers in seeking new barriers to import competition. Over-all trade policy is up in the air tied to extension of the reciprocal trade agreements law. Barring a complete turnaround in present policy, new trade barriers will be small and slow coming. They won't affect prices significantly.

• Civilian demand for most materials will rise but not enough to pull many producers out of their troubles nor to hike prices much.

The only boost in federal spending on minerals in the new budget is earmarked for research and development. The budget calls for \$18.5 million, up \$1.3 million from the current fiscal year.

Stockpiling outlays, including Defense Production Act and General Services Administration purchases, will drop to \$421.9 million, down from \$564.8 million. Most of the stockpile money will go for "put clause" purchases of aluminum and copper which are obligated under long-range incentive contracts but not accounted for in previous budgets.

Weekly Production Records

	Latest Week	Week Ago	Year Ago
Steel ingot, thous tons	1,538	1,515	2,467
Autos, units	120,882	76,653	147,129
Trucks, units	18,433	12,704	20,322
Crude runs, thous bbl, daily aver	7,772	7,867	8,272
Distillate fuel oil, thous bbl	13,189	13,240	14,398
Residual fuel oil, thous bbl	7,705	7,892	9,319
Gasoline, thous bbl	26,981	27,591	27,677
Petroleum refineries operating rate, %	85.5	86.6	93.7
Container board, thous tons	138,759	95,037	54,536
Boxboard, thous tons	136,520	118,117	47,744
Paper operating rate, %	72.6	49.4	86.7
Lumber, % change from week or year ago	+0.4	-51.7	-27.9
Bituminous coal, daily aver thous tons	1,396	1,138	1,483
Electric power, million kilowatt hours	12,506	11,692	12,327
Eng const awards, millions, Eng News-Rec	219.9	171.0	335.0



PRESIDENT'S NIGHT at the Purchasing Agents' Association of North Jersey brought a good turnout last week despite snowy weather. Before the session, Irene Gordon, treasurer, and Frank Curran, national director (above), compare notes while G. W. Howard Ahl, secretary of the N.A.P.A., and Walter Hoffman (above center) talk things over. Among the officers in attendance (above right) were V. C. Marana, second vice president of the New Jersey unit; John F. Snedeker, district vice president, District No. 8; Robert Shillady, National president; Reuben J. Atkins, president of the New Jersey group, and P. D. Richmond, first vice president in New Jersey.

Electrical Sales Gain Seen for '58

New York—The electrical wholesaling industry expects a modest 3% gain in sales this year. This is the conclusion of a survey undertaken by Electrical Wholesaling, McGraw-Hill publication.

Some 53% of those reporting expected a good year. Thirty-four per cent said they anticipated a decline, and 13 per cent saw no change in dollar volume from last year's level.

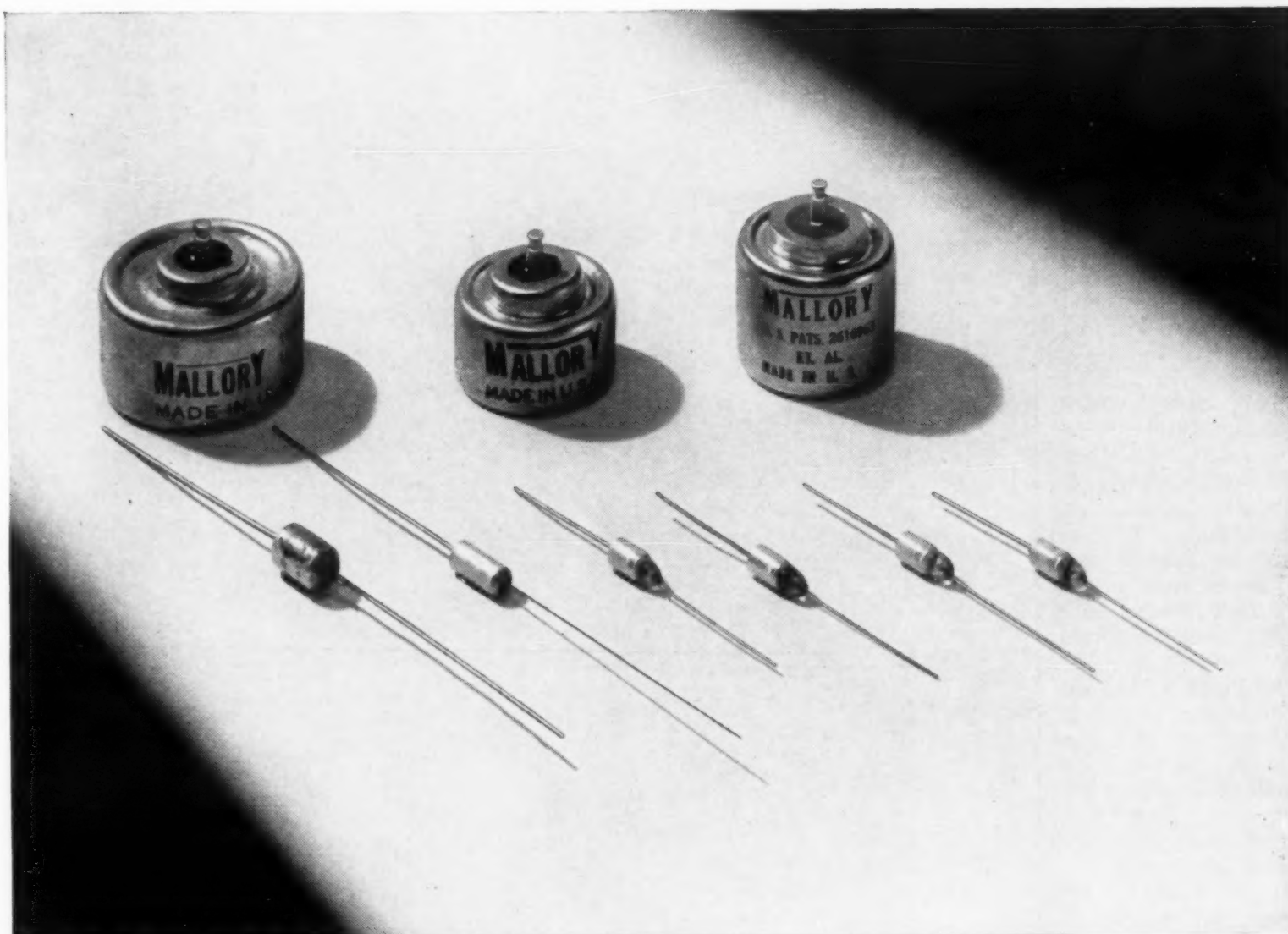
If distributors' expectations are realized, dollar sales of five product groups will rise slightly this year. Volume for eight others will match 1957 levels. Most likely to move ahead: built-in electric heating equipment, commercial and industrial lighting fixtures, motor controls, panelboards and switchboards, and wiring.

Expected to hold the line at the 1957 sales level: residential lighting fixtures, electric housewares, fans, transformers, power tools, pole line equipment, signaling equipment and motors.

Discussions Feature Employees' Conference

Chicago—Frank discussions of a wide variety of key subjects of vital interest to the oil industry were heard at the second annual Employee Information Conference Jan. 15-16 at the Sheraton-Blackstone Hotel, Chicago.

Discussions were led by top executives of the oil industry, including such authorities as Herman P. Pressler, Jr., of Humble Oil & Refining Co.; Lowell P. Stanley, Monterey Oil Co.; Howard Vesper, Standard Oil Co. of California; Joe T. Dickerson, Shell Pipe Line Co.; T. E. Sunderland, Standard Oil Co. (Indiana); and Frank M. Porter, president of the American Petroleum Institute.



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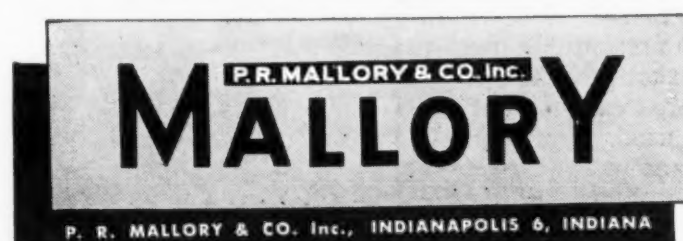
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Britain Adopts Uniform Labeling To Describe Man-Made Textiles

Standard Designed to Describe More Accurately Many New Fabrics Containing Synthetic Fibers

London—Britain is adopting a new uniform method of describing man-made fiber fabrics.

Like other British standards it is recommended for voluntary adoption. But the Board of Trade says it is the result of extensive discussion among representatives of fiber producers, textile and clothing manufacturers, distributors, and consumers.

The new standard is formally titled B.S. 2935, a description of woven and warp knitted fabrics containing man-made fibers. It defines agreed methods of describing the fiber content of fabrics, other than lace or carpets, which contain man-made fibers.

Named By Dominance

The standard is based on the premise that man-made fibers themselves are usually known either by their generic names, such as rayon or nylon, or trade marks like terylene or tricel. It recommends that fabrics made from any one fiber should be described by naming that fiber by its generic name or trade mark, or by using both together.

Concerning fabrics which contain two or more fibers, the new British standard recommends that they should be named in order of dominance by weight, again using either the relevant generic names or the trade marks. Under this ruling, a fabric containing more rayon than nylon should always be described as "rayon/nylon" and never the reverse.

If as much as 15% of a man-made fiber is present, the standard does not call for exact percentages to be quoted; but if there is a lesser proportion, the exact percentage is to be given.

As an example of how the new British system will work, the Board of Trade says acetate, nylon, rayon, courtelle acrylic fiber, tricel fiber, and terelene polyester fiber all correctly describe fabric made wholly of one man-made fiber, using either the generic name, the trade mark, or both.

Listed In Order Of Percent

B.S. 2935 says in deciding whether a fabric is wholly of one man-made fiber, up to 7% of another fiber can be ignored provided it is added solely for decorative or processing purposes.

Names such as acetate/rayon, cotton/nylon, tricel/cotton, cotton/courtelle, rayon/fibrolane/nylon, terylene/wool worsted and B.N.S. nylon/wool all correctly describe fabrics containing two or more fibers, each in excess of 15% of the total. The fibers are listed in order of dominance by weight using either the generic names or trade marks, or both.

When less than 15% of a man-made fiber is present in a mixture fabric, the exact percentage is to be stated or the phrase "with other fiber" used. For example, rayon/fibrolane with 6% acetate, or rayon/fibrolane with other fiber.

The Board of Trade says that in some of its provisions, notably the naming of fibers in descending order of dominance by weight,

the new standard follows precedents established by B.S. 2020, the wool glossary, and B.S. 2804N the glossary for silk fabrics. The board cites the new standard as a further significant step in the field of informative labeling of textiles.

Additional information on the new British standard can be ob-

tained from the British Standards Institute, 2 Park St., London, England.

Philips Combines Canadian Operations Into One Company

Toronto—The Philips group has reorganized its Canadian operations into one company, Philips Electronics Industries Ltd.

The new firm, formerly called Canadian Radio Mfg. Corp., will operate three divisions—Philips Industries Ltd., selling radios,

television sets, lighting and hi-fi equipment, tape recorders and electric shavers; Rogers Electronic Tubes & Components, marketing tubes and parts; and Industrial & Medical Equipment division, selling specialized equipment including aviation gear.

\$750,000-Plant Opened by Gearmatic

Vancouver—More than 500 buyers, dealers, and industrialists attended the opening of Gearmatic Co., Ltd.'s new \$750,000 plant at Newton, near Vancouver.

Gearmatic produces winch drums and tractor attachments.

Britain Sets Record In Two Export Items

London—Britain set two new export records last year, one in the chemical industry and the other in farm machinery.

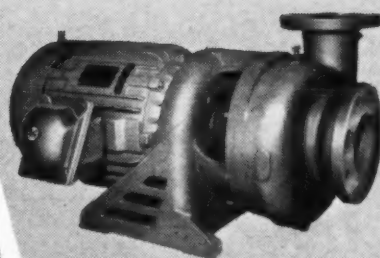
The value of British chemical exports has trebled in the last 10 years. The value of farm machinery exports last year totalled \$56 million more than in 1956.

Chemical exports to the United States, however fell off during the year while British trade increased with Australia, West Germany, Argentina, Persia, Burma, France, New Zealand and the Netherlands.

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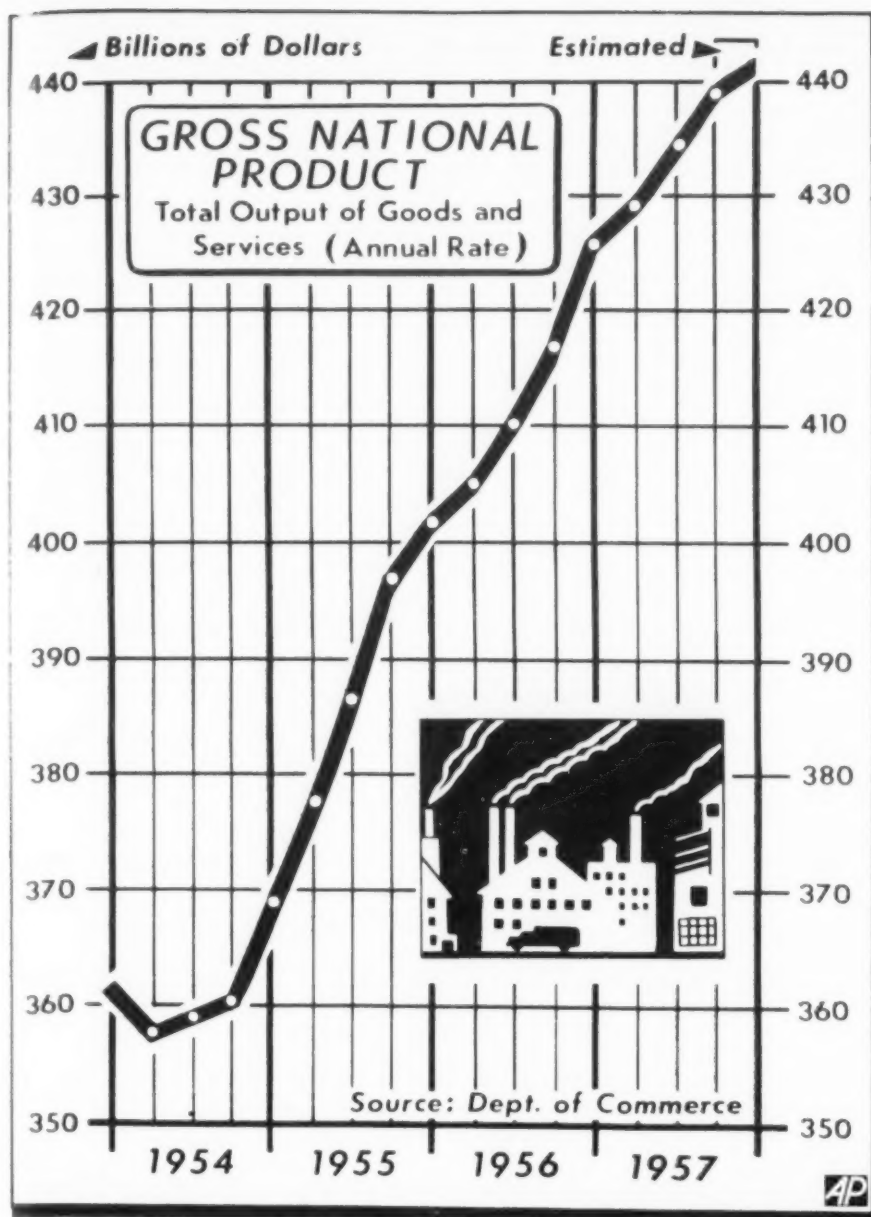
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Gross National Product Levels Out

The total value of goods and services produced is scheduled to take a breather in the first quarter of 1958. It should remain close to fourth quarter 1957 levels—after climbing steadily since early 1954. The pause, of course, reflects current production cutbacks. It didn't show through in the fourth quarter 1957 because consumer prices and service outlays were still rising at that time.

Controls Firms Merge

Schiller Park, Ill.—The Controls Company of America has signed a contract to acquire Hetherington, Inc., Folcroft, Pa., manufacturer of electrical switches.

The former company makes controls for laundry, heating, commercial refrigeration and automobile air conditioning equipment. Some 65,000 shares of Controls Company common stock will be exchanged for all outstanding shares of Hetherington common.

Foster Co. Designates Three Storage Points

Pittsburgh—L. B. Foster Co. is now storing rail, switch material, frogs, and track accessories at three new storage points, in addition to its six established warehouses.

New stocking points are Easton, Pa., Cincinnati, Ohio, and Birmingham, Ala. Customers will benefit from reduced freights once the new locations are in millities.

New Liquefaction Plant

Los Angeles—Air Reduction Pacific Co., a division of Air Reduction Co., Inc., dedicated its new City of Industry air liquefaction plant Jan. 14. The plant is designed to produce 75 tons of liquid products a day. Airco Pacific will produce liquid oxygen, nitrogen, and argon at this new facility which will serve industry in southern California, Arizona, and Nevada.

Link-Belt Co. Opens New Los Angeles Plant

Los Angeles—Link-Belt Co. opened its new Los Angeles plant with an open house celebration Jan. 16. The plant, located at 1200 Sycamore St., Montebello, more than doubles the manufacturing capacity of the company's former L. A. plant.

Housing offices, engineering department, district sales office, and factory branch store, the plant serves southern California, southern Nevada, and Arizona for conveying and elevating equipment, and the design of complete materials handling and processing systems.

Permacel-LePage Plans Warehouse at Gloucester

Gloucester, Mass.—Permacel-LePage's Inc. will open a warehouse at the LePage's plant in order to take care of increased business in New England.

The entire line of Permacel-LePage's products will be shipped from this warehouse, including industrial and consumer tapes, all adhesive and glue items, as well as such other products as epoxy resin systems, degreasing fluids, steel wool, and adhesive films.

Syracuse, N. Y.—Fire on Jan. 5 wrecked the General Super Plating Co. plant here, causing damage estimated at \$600,000. Falling blocks, roof timbers, water and fire caused heavy damage to chemical vats and other equipment in the building.

If You're a Little Guy, This May Help Cut Freight Costs

- Consolidation Through Cooperation with P.A.'s Produces Good Results
- Correct Information on Commodities Will Reduce Shipping Expenses
- Pitfalls Range from Improper Description to Wrong Carrier

New York—Purchasing agents for many small and medium-sized companies face a rough predicament in trying to shave traffic and transportation costs. With upward-bound freight charges lowering the boom on profits, the battle can be a hard one—especially for P.A.'s doubling in brass as traffic managers if they choose to fight it out alone.

Consolidation, which involves cooperation with nearby purchasing agents, may be part of the answer.

Traffic experts advise that with a little know-how, a few friendly fellow purchasing agents, and some smart "strategy" the transportation cost problem can be alleviated—by as much as 10% or more.

Complete Study Needed

According to the experts, determination of the proper strategy can be made only after a comprehensive study of individual transportation problems, location of vendors, delivery deadlines, and other similar factors.

First of all, the P.A. should know that rates are set by both truck and rail carriers according to cargo weight, class of commodity, commodity value, claim liability (likelihood of damage) cubic measurement, distance, and competitive rates.

Within these specifications—thanks to widely ranging categories of carriers—there remain many ways to cut costs.

To overcome high-rated L.C.L. (less-than-carload) shipments, for instance, a purchasing agent can consolidate. He can pool his purchases with one or more P.A.'s not in direct competition and by buying from vendors in the same general area.

Lower Rate For Cooperation

Such purchases can then be gathered at a common origin point until there are enough goods to fill a carload. The cooperating P.A.'s thereby get a lower rate, plus faster delivery since C.L. shipments receive less handling in transit. Likelihood of damage also is lessened.

Many firms, known as freight forwarders or carloading companies, perform this consolidation service for the P.A. at a minimum charge.

"It is usually easier for the P.A., especially with a small company, to let the freight forwarder do the job for him," says Steve Tinghitella, well-known traffic specialist now handling transport problems for the N. Y. Commerce & Industry Association.

"Then too, many purchasing agents join associations that have a consolidation setup for its members. This is usually less costly because there is no actual charge for the service."

Whether a P.A. decides to undertake his own consolidation program, use a freight forwarder, or join a shipping group, he should avoid these errors:

1. Improper description of commodities.
2. Failure to select the lowest cost carrier.
3. Stating the total weight of several commodities on the bill of lading rather than weight of each differently-rated commodity.
4. Failure to consolidate shipments to obtain advantages of volume-rates and eliminate minimum charges.
5. Failure to state shipment value when tariffs provide for lower rates.

Must Examine Terms

Several of these points illustrate an important conclusion—the P.A. must examine with an eagle-eye his terms of purchase.

The task of cutting costs in traffic and transportation is difficult but rewarding, says Traffic Consultant William Ehalt, president of Eastern Freight Traffic Service, New York.

"There is no doubt in my mind that if the P.A. works at it hard enough, he can cut costs 10% or even more. And don't forget, whatever is saved is clear profit," states Ehalt.

Ehalt lists several examples of where diligence saved many dollars. They are:

• A buyer for an industrial deodorant manufacturer discovered he was having concentrated chemicals shipped to him at the higher rates applicable on deodorants. The proper rates were found to be those on chemicals and 15% lower. The buyer then selected a different carrier and saved his company an additional

15% in traffic costs.

• Another P.A. effected a 35% saving on movements of steel and brass covered rods which were to be cut to desired lengths for curtain rods. The carrier was assessing curtain rod rates whereas the shipments should have been rated as "iron or steel, brass coated rods."

• On shipments of rubber materials from just one vendor, a P.A. made a saving of \$15,000 a year by choosing another carrier and by anticipating delivery deadlines to buy at truckload quantities.

In tackling transportation costs, the P.A. must compare a vendor's quoted delivered price with his own breakdown of the invoice price and shipping costs.

In this way he can learn which will be the lowest net landed cost and how much savings he can effect on his own.

Changing times in business have brought about a buyer's market. Surely changing times in transportation should make purchasing aware of hidden costs which can be turned into added profits.

New Pulp Mill Opens

Pine Bluff, Ark.—Dierks Forests, Inc. entered the pulp and paper field with the start of operations at a new \$12 million integrated mill here.

Fred H. Dierks, president of the 75-year-old Southern pine lumber products concern, said the mill's capacity was 150 tons of kraft paper and paperboard a day. It is equipped with a high-speed Fourdrinier paper machine made by the Black-Clawson Company.

AEC Closes Boron Plant

Niagara Falls, N. Y.—Atomic Energy Commission will close its boron plant in Model City by July 1. The plant, which employs 115, is operated for the AEC by the Hooker Electrochemical Co. The plant will be placed in "stand-by condition" with a possibility of reopening in the future.

Opens New Metals Plant

Chicago—Formerly located in North Chicago, the Compacted Metals Corp. has moved into a new plant in Waukegan, Ill., as part of a general expansion and modernization program. The company, engaged in manufacturing compacted metal parts, will consolidate its entire operation under one roof for greater efficiency.

Shell Starts Work On 2 Chemical Plants

New York—Shell Chemical Corp. will begin building two new multimillion dollar plants at Norco, La., early in 1958.

R. C. McCurdy, Shell Chemical president, said one plant will make acrolein and the other will convert some of the acrolein to glycerine "at an original rate of 35 million lb. a year."

Large-scale availability of acrolein should lead to its use as an intermediate—or "building-block"—chemical in a variety of syntheses, McCurdy said.

Shell plans to pursue a number of derivatives and offer acrolein for general sale.

The company also announced that a plant for making hydrogen peroxide for the new process has been put on stream, and Shell Chemical is now marketing hydrogen peroxide.



Neil C. Hurley

Multiple Spindle Sales Will Go Up, Hurley Says

Chicago—Industry's emphasis on lower rejection rates in quality control while raising productive capacity is likely to result in increased sales of multi-spindle automation tools in 1958, according to Neil C. Hurley, Jr., president of Thor Power Tool Co.

Pointing to an upward trend in sales of such tools, Hurley said more Thor multi-spindle units were sold the first two months of 1957 alone than in all of 1956.

The multiples used in automatic assembly equipment are becoming as popular as their forerunner, automatic production equipment, with the added advantage that multiples are far less expensive to install and operate, Hurley said.

A.M.A. Plans Seminars For Spring Program

New York—Nine new subject areas will be explored in the spring seminar program held by the marketing division of the American Management Association. From February to June 29 small-group meetings will be held.

New seminar topics include "Techniques of Time Saving for the Chief Sales Executive," "The Uses of Marketing Research in New Product Planning," "Improving Sales Management's Effectiveness in Counselling and Motivating," and "Practical Uses of Scientific Tools in Solving Marketing Problems."

Seminars will be held in Houston, Chicago, Montreal, San Francisco, and New York. Twenty-five will be workshop seminars—intensive discussion sessions for exchange of information and experience. The rest will be instructional.

Taylor Co. Uniforms Plastic Prices in U. S.

Norristown, Pa.—Taylor Fibre Co. announced that prices for its laminated plastics have been made uniform for all parts of the United States. The company is the first manufacturer to eliminate geographic price differential for laminated plastics.

For ten years, the industry has charged two cents a pound premium for West Coast deliveries. This additional charge may account for as much as 4 percent of the total price. The price equalization applies to sheets, rods and tubes, and to the material cost of parts fabricated from laminated plastics.

Standard Oil Reduces Heavy Fuel Bl. Prices

San Francisco—Standard Oil Company of California, Western Operations, Inc., has reduced heavy fuel oil prices by 20 cents a barrel throughout the Pacific Coast States.

The reduction, affects all classes of trade and types of deliveries. It benefits heavy industry, power and light utilities and shipping concerns, which are the principal customers for heavy oils.

Standard said that these reductions were made possible because of general improvement in the fuel oil supply situation.

State Trains Its P.A.'s to Buy Food

Boston—The Massachusetts State Purchasing Bureau, in a unique move to help vendors and purchasers of food for state institutions, held a Food Demonstration Day Jan. 15 at the Lemuel Shattuck Hospital in Jamaica Plain, Mass.

Bernard Solomon, State Purchasing Agent, said the program was devised to facilitate food purchase and methods of food preparation by state personnel. Solomon said a single demonstration day would equal 50 calls that would have to be made by a salesman to various institutions.

Stewards, dieticians, business agents of state institutions and departments and others with food procurement or preparation responsibilities attended. More than 40 companies participated in the demonstration, which included discussion period on food as it relates to the purchasing bureau.

"This is the first time a food demonstration day has been conducted in Massachusetts, or as I understand, in any state in the country," Solomon said. "We are sure it will prove beneficial in every way to all those concerned with food procurement activities."

Cautious-Buying Advice Given Georgia P.A.'s

Atlanta—"Buy conservatively" was the advice given the Purchasing Agents Association of Georgia at its January meeting by Dr. Arthur T. Dietz, associate professor of business administration, Emory University.

An upturn in the business climate depends on when inventory liquidation is completed and how long it takes to accelerate the increase in government spending on defense, Dietz said.

This is the third consecutive year the Georgia association has heard Dr. Dietz's forecasts.



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"the man ahead"
and
"the man behind"

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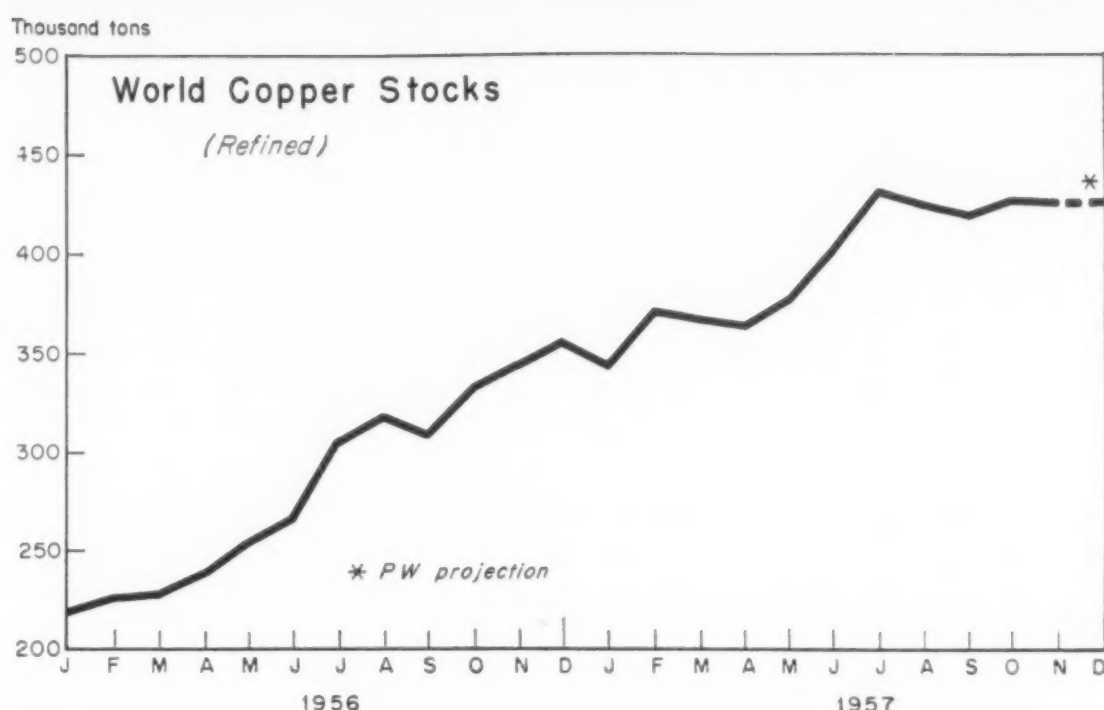
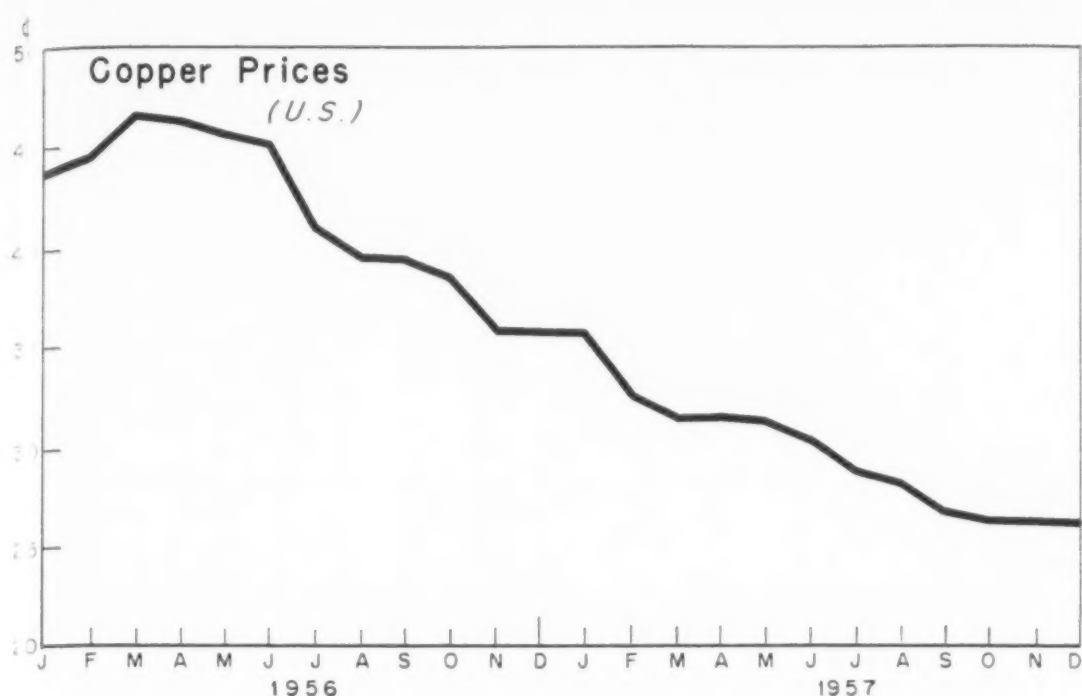
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Copper prices continue falling from March 1956 peak . . . while huge world stocks still put the pressure on copper tags.

Copper Prices Will Remain Weak; Chile's Output Cut May Aid Market

(Continued from page 1)
toward stabilization. Industry estimates show that 1/3 of all U.S. production in 1956 cost 25¢ per pound or more to produce.

It means that if domestic prices fell much below current levels, a percentage of the American mines would have to shut down. In the improbable event that this happened, the price would surely be driven up. So, clearly cost of production puts a floor under prices. Tags can't stay below costs for any significant length of time.

Your best bet for the short term is to sit tight. Cover your normal needs. But there's little incentive to stock up—at least until production cutbacks combine with a general business pickup to signal a firming market tone.

The longer term outlook is another story. Price increases are almost a sure thing later this year. The problem is to pinpoint them.

One good way is to keep your eyes on production, inventory, and price developments. Of course, this is no substitute for the actual day-to-day market "feel". But watching these key statistics can give you clues—valuable warning signals on future price movements.

Look at what happened over the past two years. The sharp drop in copper tags was signaled way back in January 1956. That's when world refined stocks began their skyrocketing ascent.

Significantly enough, copper prices began to fall soon after that. The first drop from the 47¢ peak was recorded three months later in April 1956.

The picture is graphically illustrated in the charts alongside. The higher stocks went, the lower prices fell.

Where do we stand now? Stocks are showing signs of peeking out. There has been no significant increase in holdings over the last five months.

As copper producers agree on production cuts, the stock chart should soon start to decline. That will be the signal for tags to start an upward climb.

The upturn, when it comes, will have three additional sustaining forces:

- General business upsurge

(expected in the second half of 1958).

- Automatic wage increase in domestic copper producers-wage contracts next July.
- Possible tariff hikes for copper.

To sum up, prices will remain shaky near-term—with a strong firming trend expected later in the year. It's going to be a year of changes—a year where up-to-the-minute data will be a "must" if you are to make the right decisions.

Amsterdam Firm Produces Cutter

Amsterdam, Netherlands — G. L. Loos & Co.'s Fabrieken has manufactured a light Flame cutting apparatus for use in service trucks by public utility companies, salvage services, fire companies, etc. It is carried as a knapsack and operates without any outside connections so that the bearer is not hampered in his movements.

A special type of light-steel oxygen cylinder and a light propane cylinder are used for the combustible gas required. The unit weighs 28 lb.

The oxygen bottle has a capacity of 198 Imperial gal. and the propane bottle 55 gal. which is a good ratio for cutting work of up to .79 in. The shut-off valves used for the bottles are also a new design. Both the oxygen and the propane reducing valves have a permanently fixed pressure and quantity regulation so that the flame is exclusively controlled by the two valves on the burner.

The unit can be supplied in a modified design for soldering with propane and oxygen, making it suitable for fitters to repair leaks and carry out various other small jobs.

N.A.P.A. Meeting Staged

Memphis, Tenn.—The executive committee of the National Association of Purchasing Agents held its mid-year meeting at the Peabody Hotel here on Jan. 16 to 18.

Morse Sales Staff Meets For 4-Day Conference

New Bedford, Mass.—A four-day conference, the largest ever held by the company, brought the entire sales organization of the Morse Twist Drill & Machine Co. together to prepare for 1958.

Morse, a subsidiary of Van Norman Industries, Inc., is looking for a larger share of the tool market and aims at increased activity during the year.

Charles F. Myers, Morse president, outlined plans for greater market penetration in the cutting tool field. The group was also told of stepped-up research and development activities, and how continual modernization of production methods was keeping Morse competitively strong.

Royal Metal Announces Office Consolidation

Chicago—Royal Metal Manufacturing Co., maker of office and institutional furniture, has consolidated its executive offices at 1 Park Ave., New York.

Also announced is the opening on Feb. 1 of a new showroom at Merchandise Mart, Chicago. The remodeled showroom in New York will be an expanded service to customers in the East, and the new showroom in Merchandise Mart will enable Royal to give their dealers and customers better service in the Midwest and West.

Sputniks Up Hard-Goods Orders, End Ike's Austerity Program

Washington—The general decline in durable goods new orders has been halted. And it's just about all because of Sputniks I and II. The austerity program ordered by the Administration early last fall was relaxed just after the first red satellite.

You'll get a better idea of what's ahead by looking at the key hard goods segment of Pentagon ordering. Estimated Defense durable orders will near \$10 billion over the next six months. That's compared to a \$14 billion total in all of fiscal '57.

The Defense effect on total hard goods orders is just now beginning to be felt. Durable goods orders in November were 1.4% above October but still lagged behind last year by 22%.

But not all areas fared equally well. Declines since the summer have come in the primary metals, machinery, and transportation equipment fields. Orders for fabricated metals on the other hand have held rather constant.

Meanwhile, sales in most durable goods areas on the other hand have been holding their own. Result: Manufacturers order backlogs that have dwindled.

Orders on the books of hard goods producers are running close to 18% behind '57. Biggest dips have been taken in the primary metal and transportation equip-

ment fields. Manufacturers here have taken 21% and 19% drops in backlogs respectively.

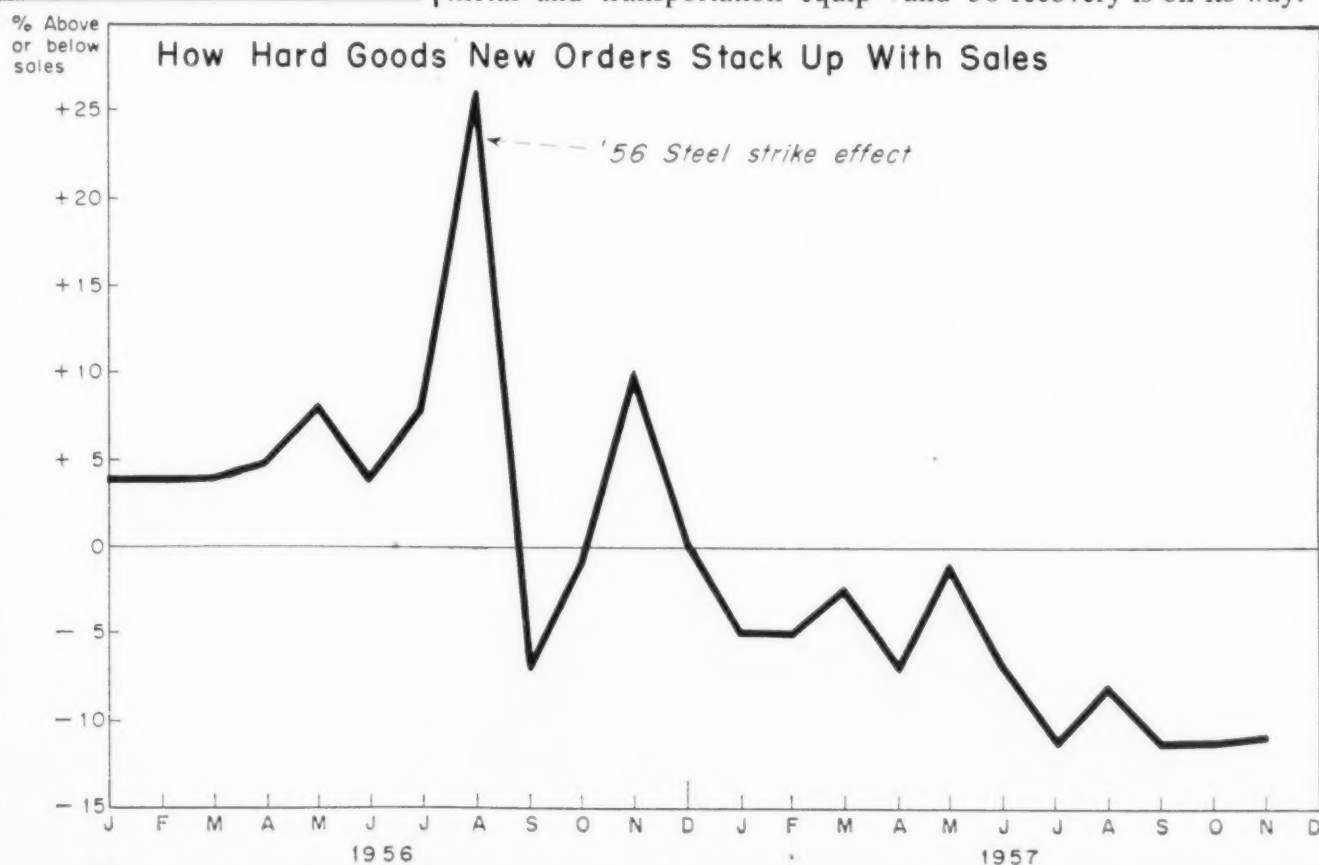
One of the best leading business indicators you can follow is the ratio of new orders to sales (see chart below).

When new orders lag below current sales for any length of time, it means production cutbacks are in the wind. Note in the chart how the ratio foretold the current output cutbacks. Hard-goods new orders started dropping below sales in January of '57—resulting in a negative new orders sales ratio. It's likely to continue that way through the first quarter of this year.

If you watch this ratio carefully, you'll get an indication of when in '58 the economy is going to pull back into high gear. If defense orders are further stimulated under Congressional pressure, the ratio might well turn positive before spring.

The slight increase reflected in the ratio in November reflects the mild new order pickup. And with durable goods sales likely to lag during the next few months the index should continue a slow rise.

But it will take some solid increases in new orders to put the ratio back on the positive side. It's only then that we'll know the current mild recession is behind and '58 recovery is on its way.



New orders falling below sales level always signal production cutbacks.

Purchasing Week

McGraw-Hill's National Newspaper of Purchasing

Print Order This Issue 28,000

The Opportunity Is There

Now that top management has had an opportunity to appraise the results of last year's efforts, it's a good bet that with only minor changes a currently popular advertising jingle sums up the story. The reworded jingle would go:

"We wonder where the profit went."

Clifford F. Hood, president of United States Steel Corp., phrased it this way:

"The biggest problem facing management today is rising costs versus diminishing profits."

In years past it has become quite common for management to turn to the sales department with the admonition, "Profit is going down; you've got to sell more." But when the National Association of Manufacturers surveyed its members on the prospects for this year, the results disproved that more sales are the complete answer. Of the N.A.M. respondents, four-fifths predicted 1958 sales would equal or top 1957's, but only one-fifth expects profits to rise.

On the surface this would seem to present a pretty gloomy picture. In reality, however, it presents a glowing opportunity for you, Mr. Purchasing Executive. Cost of materials in goods sold is by far the largest cost element in the average company. And the one who knows most about this cost obviously is the purchasing agent.

Naturally, just knowing the costs is not enough. It is the purchasing agent's job—yes, his responsibility—to make management aware of the fact that he, the purchasing agent, is spending from 50 to 70% of gross receipts. It's the purchasing agent's duty to give management forecasts of purchasing costs, to break them down for analysis and decisions, to tell what is being done or could be done to reduce costs.

Alert purchasing personnel know that merely getting a bargain or a reduced price for a product or a group of products is not the answer. As one purchasing director recently informed his entire staff: "Reducing costs is not just a matter of getting a lower price; I've seen an ambitious youngster spend \$20 worth of time to save \$2. This doesn't add up to reduced costs. What does add up to reduced costs is making sure that the value is there, that we are buying the material or product that will do our particular job best, that we know what is new on the market and how we can use it, and that we are receptive to and pass on new ideas."

Management may have its eye on the profit margin, but it'll turn an attentive ear to you if you have a complete story on controlling or reducing costs. Someone should keep management posted, and it should be you.

What's Your Opinion?

Everyone, it seems, likes to receive mail. PURCHASING WEEK editors are no exception. We are looking forward to receiving your thoughts on purchasing subjects for publication in our "Letters" department which will be published regularly starting next week. Sign your name but, if you prefer, we'll publish your thought anonymously. Address your letters to "Follow Up File", PURCHASING WEEK, 330 W. 42nd St., New York 36, N. Y.

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"Mr. Agent, I know our inventory is low. But can't we keep our extra tools in the shop?"

Profitable Reading For P.A.'s

"Reading Maketh a Full Man"—Bacon

Top Management Data

Reporting Financial Data to Top Management. Published by the American Management Association, Inc., 1515 Broadway, Times Square, New York 36, N. Y. Special Report 25, 192 pages. Price: \$5.25 (A.M.A. members: \$3.50)

Top management needs accurate financial information on which to base its decisions. Much of this financial data comes from the purchasing department. Because of the growing complexity of business, however, new reporting techniques are required to make this information meaningful.

These new techniques are explored by financial executives of leading companies. They discuss how to organize and administer effective financial reporting programs. Company representatives explain how to present significant financial data for the commitment and utilization of capital investment, for analysis of industry position, and for other specific areas of management planning.

The report also includes a detailed description of one company's successful financial reporting system, and a presentation of a system of variance analysis for operating-control reports. Many tables, charts, and graphs are included.

Control Costs Explanation

Control of Non-Manufacturing Costs. Published by the American Management Association, Inc., 1515 Broadway, Times Square, New York 36, N. Y. Special Report 26, 142 pages. Price: \$3.00 (AMA members: \$2.00)

Many companies today have discovered that higher sales volume does not necessarily mean greater net profit. Increased costs can reduce profit margin—and hidden costs are particularly dangerous.

The report shows how selected companies apply imaginative solutions to the problems of higher costs in fiscal, marketing, personnel, and office management areas—how they find new profit opportunities in administrative cost control. There's plenty of opportunity, too, for the purchasing executive. These topics are discussed: expense control in

a changing business environment, the cost of cash handling and mishandling, the budgeting process. The report also includes three company studies in reducing and controlling office costs.

Welding Practices Review

Welding Handbook, first section, fourth edition. Edited by Arthur L. Phillips. Published by the American Welding Society, 33 West 39th St., New York 18, N. Y. 560 pages, illustrated. Price \$9.00.

The first section of the five-volume Welding Handbook deals with the fundamentals of welding. Its eleven chapters contain: standard welding terms and definitions, engineering tables, welding metallurgy, properties of welded joints, estimating costs, inspection, mechanical testing of welds, statistical control, and safe practices.

Subsequent sections cover welding processes; miscellaneous metal-joining, cutting and maintenance processes and practices; metals; and applications of welding.

The handbook, the result of the combined effort of many people, is designed to give the most authoritative, up-to-date information available on welding and welding technology.

Purchasing in Iron Casting

Standard and Pearlitic Malleable Iron Castings Win Approval Under Value Analysis. Published by Malleable Founders Society, 1800 Union Commerce Bldg., Cleveland, Ohio

The modern trend in purchasing is applied to malleable iron castings in this new brochure. It is designed for use by cost reduction and value analysis committees and purchasing departments.

Characteristics of malleable iron castings are covered, including machinability; cold forming; impact resistance; corrosion resistance; versatility of castings; and the wide range of sizes available.

Illustrated are the advantages to be obtained when the malleable foundry engineer is consulted at the drawing

PURCHASING WEEK Asks You . . .

What do you think is the most significant change that has occurred in purchasing since World War II?

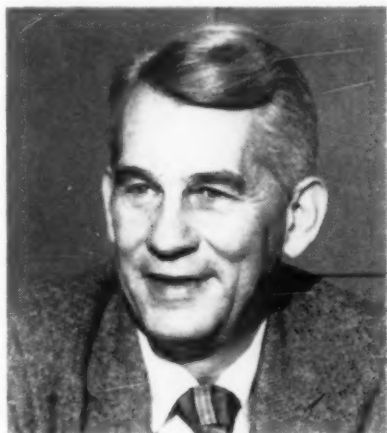


Robert C. Kelley
Dresser Industries, Inc.
Dallas

"The most significant change in purchasing has been management's recognition of the procurement function's importance. This recognition has resulted in attracting higher grade men to the purchasing field, who, through broad planning and research in materials management have taken purchasing out of the order-placing category and given it a seat at the manage-table where it is making a real contribution to profits."

Henry A. Colwell
Puritan Chemical Co., Atlanta

"By far the most significant change in purchasing is its integration with top management, resulting in more effective use of the department and the information and experience it has to offer. Today, purchasing participates in planning, whereas not too many years ago its function was limited almost entirely to assisting in carrying out plans already formulated. This means a more company-wide use of purchasing and a greater contribution by it to every other division including sales, production, distribution, and construction."



A. H. Luebke
W. P. Fuller & Co.
San Francisco

"The development of purchasing as a professional management function—purchasing now is planning as well as operational. It requires trained men who know their own companies, suppliers and markets. It requires the foresight to plan inventories carefully and to develop good supplier relations."

In short, purchasing has become a part of planned profit-making, the essence of sound business management."

Harold F. Carson
Wehle Electric Co., Buffalo, N. Y.

"Purchasing has become a top management phase of business since the end of World War II. You might say purchasing as a business science has approached the professional level. This development is clearly reflected in our company where the purchasing agent is now considered a member of the executive group, with added authority and responsibilities. The NAPA has done a great deal to further the cause of purchasing as a profession, but it's up to the individual to project this type of thinking within his own company."



Leonard W. Pierce
American Machine & Foundry Co.,
Brooklyn, N. Y.

"The most significant change is one that has occurred within the last year, namely a return to a so-called buyer's market where there is an almost complete lack of scarcity of supply; lead time is the shortest possible and prices, to say the least, have become highly competitive. This has presented the purchasing department with a long-awaited opportunity to increase its ability to effect many types of cost savings, thereby strengthening its company's profit status in this generally sagging atmosphere."

L. S. MacKay
Willys Motors, Inc., Toledo

"The most significant change in purchasing procedure is the adoption and widespread use of the 'requirements' type of blanket purchase order. Although relatively few companies used the blanket type of purchase order on production-component purchase orders before 1942, today most companies making repetitive purchases on both production components and non-productive parts and materials have recognized the advantages of and are fully utilizing the blanket-purchase-order system."



How to Get More Out of Purchasing Week

Keep Your Eye on New Products

Keeping on the alert for new products and new processes is a moral responsibility of every purchasing agent. For some it is more than that. These men have an assignment from management to keep an eye out for anything new.

New products can be divided into two classes. Products that are bought steadily and those bought only at rare intervals. Some examples of the former are letter-heads, bits, wheelbarrows, nails, etc. Of course, raw materials, such as copper, coal, and lead fall into this classification. Some examples of the latter are lathes, kilns, and comptometers. It is about this classification that most agents need information.

To get the most out of new product stories, a P. A. should study them for applications in his own plant. When he

finds one that he believes can be used with profit, he should call it to the attention of management. And most certainly he should keep a file on all products he feels that he may someday be called on to buy.

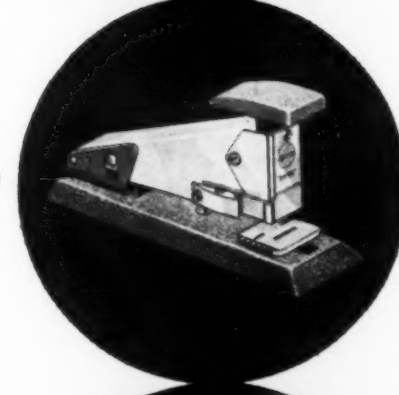
With this in mind, PW is publishing its main new product items in a size that can easily be pasted to a 3x5-in. card. Each item is dated, and the price is listed.

Closely allied to new products are new processes and methods. PW will keep close watch on these. The agent with foresight will watch these closely. Although they may be years away in his own company, he should know all about them. Nothing will enhance his prestige with management so much as to have it known about the company that if anything is new, he knows about it and can talk intelligently about it.

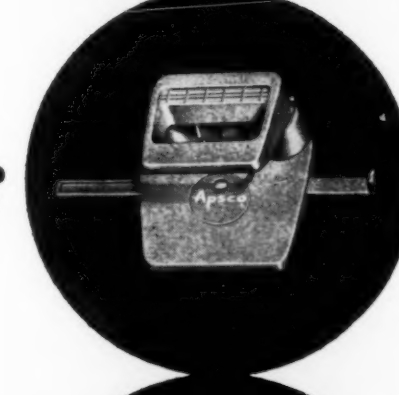
buying
pencil
sharpeners?



staplers?



punches?



...demand

Apsco

It is your guarantee of quality—enduring performance—and economy of operation!

Ask your supplier for a demonstration.



Apsco products inc.

9855 West Pico Boulevard, Dept. S
Los Angeles 35, California



AUTHORS of the Schenley label purchase plan, Director of Purchases Ned Drucker (right) and Assistant Director Richard Marks, inspect a label.

Schenley Label Buying Links Competition, Negotiation

Advantages Gained Under "Schedule B"

Negotiated Cost Purchasing

Competitive Bid Purchasing

ONE BRAND — ONE VENDOR

Brand awarded for one full year to one vendor.

Frequent changes in vendor processing brand.

VENDOR PROFITS — LOWER PRICES

Normal vendor profit is maintained. Prices are considerably less than competitive bid prices, regardless of business conditions. Also, allows vendor to schedule his press time well in advance of orders.

Low bidder generally makes very little or no profit during slow periods in his plant. When business conditions are good or during peak seasons, bidders will either refuse to bid or quote high prices.

GENERAL VENDOR RELATIONS

Good feeling and relationship between vendor and customer. Mutual respect and spirit of cooperation exists.

Poor customer-vendor relationship—no desire to pull customer out of trouble, and no loyalty to customer. Vendor won't make difficult deliveries, and favors their better and more dependable customers.

SUPPLY

Preparatory materials in readiness. Color proofs approved and all specifications clearly understood.

Preparatory material such as films, embossing, and cutting dies have to be prepared.

SUPPLY AND COST

All the correct supplies in vendors inventory. Purchased in large quantities, i.e., paper in carload at a savings.

Supplies such as paper stocks not available on rush basis. Purchased in smaller quantities as required by vendor.

ECONOMY

All layouts prepared to eliminate excessive waste. Sheet sizes previously determined.

No adjustment for layout, nor press sheet size to run economically. Considerable waste in material and in manufacturing.

QUALITY

Quality remains excellent and uniform because correct supplies and preparatory materials are available. Also vendor has had previous experience with problems relating to each item.

Quality varies from run to run. Inferior materials may be used to meet delivery requirements.

QUALITY

Defective supplies no problem.

Large percentage of defective supplies which could result in downtime or loss in business.

DELIVERY

Uniform fast deliveries.

Deliveries slow during vendor peak seasons.

- a) Requiring large inventory to be maintained at all times.
- b) Could result in large write offs.

Combining the advantages of competitive bidding and of negotiation in one purchasing plan is quite a trick. But Schenley Industries' purchase of labels is proof that it can be done. Called "Schedule B" the plan awards yearly contracts to competitive bidders based on negotiated vendor costs.

Quality Important

Label quality is important to Schenley. Labels have sales appeal in their own right, and they reflect product quality. Under Schenley's former low bid purchase method, supplier changes were frequent, and label quality was not uniform. Started in 1947, "Schedule B" took a year or so to work out effectively. Today, suppliers wholeheartedly agree with Director of Purchases Ned Drucker, and Assistant Director Richard Marks, that "Schedule B" proves you can have your cake and eat it too.

The relatively unchanging nature of graphic arts buying makes the Schenley plan all the more remarkable. While tailored to meet Schenley's specific problems, "Schedule B" is also adaptable to many graphic art purchasing problems. Here's what the plan is, and how it works. . . .

Schedule Explained

"Schedule B" is a method and procedure used to order volume quantity labels in combination press sheets by letterpress or lithography. Contracts for a full year are awarded to vendors submitting lowest bids based on four cost factors: material, manufacturing, make-ready, and finishing.

As the first element in the operation of the plan, Schenley determines label quantity and quality requirements. This procedure involves five steps:

1. Total yearly label requirements are determined. This information is obtained from previous year's business and anticipated sales for the forthcoming year.
2. Labels are selected for inclusion in "Schedule B". Labels with sufficient volume, appropriate print method, and least likelihood of change are assigned to "Schedule B". Approximately forty different brand labels are purchased under "Schedule B" each year.
3. An estimated average quantity order is established together with a percentage breakdown by size. This figure is determined from the yearly requirement and the frequency on which the labels are to be run. This figure is necessary to establish one common denominator for comparison of all factors as well as the grand total from which award is made.

Quantity and layout is also required

by vendor to form an equitable basis for preparing layouts and estimating costs. Gross area per label is computed. This is the printed area of each size label plus any unprinted waste surface around the net area of the label which is required for cutting. This entire area is considered usable for purposes of layout and estimating.

There are additional loss areas on the press sheets such as gripper, top, bottom, and side margins and wheel marks which are not usable. This loss area is deducted from the gross area in determining the net yield of the press sheet.

Quality specifications for each label are outlined. These specifications relate to color, paper stock, tolerances for register, printing, embossing, and cutting, etc.

Specifications Noted

With label quantities, layouts, and specifications determined, Schenley is then ready to negotiate with vendors on the four cost factors of "Schedule B".

1. **Material.** Costs are accumulated for all material going into the run such as paper, ink, and varnishes. Quote is per 1,000 sheets.

2. **Manufacturing.** Costs are totaled for all press time for all types of presses including varnishers and embossers. Quote is per 1,000 sheets.

3. **Make-Ready.** Costs are totaled for all equipment such as printing presses, embossers, and varnishers. These costs

are quoted as a total amount and essentially remain fixed for all runs.

4. **Finishing.** Costs are figured for die-cutting, inspection, and packing supplies. These costs are totaled and quoted per 1,000 labels.

These various costs are accrued and broken down on a square inch basis. These factors, together with layout and square inches of usable area on press sheet, are the basis on which final costs per individual order are derived.

Original plates or films, cutting and embossing dies, and other one-time charges are quoted separately and billed separately to Schenley.

Awards Go to Low Bidder

While variances may occur in the individual cost factors quoted by the vendors, purchase awards are made to the low total bidder.

It may seem that a vendor, once doing business with Schenley under "Schedule B", is in an immovable position. This is not true. As labels change from time to time in quantity, quality, color, and design, other vendors may be able to quote more favorably. Also, vendors may have different production facilities and availability of these facilities, allowing them to quote more favorably a second time.

Schenley makes sure that the amount of business to any vendor does not become excessive in relation to his ability to produce. If a vendor has several brands on a yearly award, he must be able to

meet simultaneous peaks in all the brands. However, if a label change occurs within the award year, Schenley stays with the current vendor and renegotiates.

With Schenley supplying the specifications and requesting cost breakdown, it can be seen that vendor relations call for ability and tact. Schenley meets with those vendors who have equal facilities to process particular labels or combinations. Vendor selection is based on Schenley's previous experience with the vendor, the vendor facilities, and the vendor willingness and ability to break down his costs into the four cost factors.

Breakdown Needed

Vendors are naturally reluctant to show their costs broken down. In meeting this objection, Schenley explains that the cost breakdown is not detailed enough to reveal usable information to competition, other vendors have made the breakdown, and that the vendor is actually helped by the breakdown. The latter is the result of the vendor being more aware of the cost factors. In subsequent negotiations or bidding Schenley can point out in what phase of his operations he is out of line. Schenley can also work with a vendor to develop a more economical method of production.

There is a distinct limitation to a graphic arts procurement plan such as "Schedule B". Such a plan requires a high degree of technical knowledge on the part of the purchasing function. The

technical knowledge of the buyer must be equal to or greater than that of the vendor.

While there is great interplay and negotiations between buyer and seller, it is the buyer who must be dominant. If vendors set the specifications and cost breakdowns, the variances will differ as their facilities differ. Common evaluation of quotations becomes almost impossible when the basis of quotes vary. For these reasons it should be appreciated that "a little knowledge is a dangerous thing," and buyers not fully qualified technically should shy away from such plans.

Challenge Explained

But to those who can meet the challenge of a plan such as "Schedule B," it can be highly rewarding. It has been to Schenley. (See Box). Summing up Schenley's experience, Director of Purchases Ned Drucker states: "We are bigger customers to each vendor now under this technique and are in a position to get rapid service and other help when we need it." On cost, "Schenley is actually paying considerably less for labels than we did under a straight bid basis."

Labels are silent salesmen. For this reason it would be difficult to measure the full impact of the Schenley label purchase plan. In graphic arts buying—tradition-bound for many years—Schenley purchasing has proved that there can be a new, fresh, and effective approach.

Bernard C. Harney has been appointed sales manager for the Bar Feed Division, Lipe-Rollway Corp., Syracuse, N. Y.

Robert A. Slater has been named manager of manufacturing engineering in the metallurgical products department of General Electric Co., Detroit. **William K. Cordier** has been made manager of the diamond pilot plant operations. **James T. Blvoich** becomes specialist—market development administration and **N. A. Mathews** has been transferred from the engineering section to manager of diamond engineering.

R. L. Dickson, controller of Walter Kidde & Co., Inc., Belleville, N. J., has been assigned added duties of administrative vice president and also has been elected to the board of directors.

John W. McCue, former abrasive engineer, has been transferred by Norton Co. to the firm's Indianapolis district office as a field engineer.

E. George Hartmann has been elected vice president-sales of John A. Roebling's Sons Corp., Trenton, N. J.

Arthur E. Ackerman has been advanced to vice president in charge of sales at Millers Falls Co., Greenfield, Mass. He had been general sales manager.

Edward J. Schwarz has joined States Design & Development Co., Inc., Trenton, N. J., as head of the firm's new Metal Service Division. He had been director of purchases for DeLaval Steam Turbine Co. of Trenton.

Three new sales manager posts have been added by Ampco Metal, Inc., Milwaukee. Named to the posts are: **F. E. Garriott**, finished products; **I. S. Levinson**, technical products; and **G. E.**

Brown, field sales. **Raymond J. Severson**, former assistant general sales manager, has been appointed manager of the firm's new branch in Garland, a suburb of Dallas.

Ellis Bailey has been named head of southern Michigan sales for Baron Steel Co. of Toledo. He was formerly purchasing agent for Primer Products Division of Borg-Warner Corp.

William M. Bullock has been made general line industrial sales manager for Permacel-LePage's Inc., New Brunswick, N. J. **John Vigneault** takes over his former post, Michigan general line division manager at Ferndale, Mich., headquarters. **Gilbert Reichsmann** moves up to national consumer field sales manager and **Udde Levin** succeeds Reichsmann as Chicago consumer division manager.

Robert Jacobson has been appointed director of purchases for Reading Metals Refinery Corp., subsidiary of Reading Tube Corp., New York. Jacobson has been with Reading Tube in a sales capacity since 1953.

James W. Hage, buyer in the purchasing department of Welch Grape Juice Co., Westfield, N. Y., retired. Fellow employees honored him at a banquet.

Joseph E. Stiglmeier has been reappointed City purchase director for Buffalo, N. Y., in the new administration of Mayor **Frank A. Sedita**.

James J. Dudte, assistant director of sales, has been moved up to sales manager of The Flxible Co., Loudonville, Ohio.

J. Marvin Lark has been promoted to manager of dealer services for B. F. Goodrich Tire Co. Akron, Ohio. **Paul Manuel** succeeds him as manager of retail credit sales.

Profile

Solomon, 34, Youngest State P.A., Directs Massachusetts' System

At the age of 34 (he'll be 35 on St. Patrick's Day), Bernard Solomon is the youngest state purchasing agent in the country. He became Commissioner and State Purchasing Agent of Massachusetts in October, succeeding George J. Cronin, who left the post after 34 years of service.

For the short time he's been in office, Bernard Solomon has adopted and adhered to a theme: The best value for the Commonwealth for each dollar spent.

And the young state commissioner has set out to do just that. Already he's made a tour of many state institutions to find out firsthand their needs. He has sponsored and held a clothing show to which were invited all dealers normally selling clothing to the state, and state institutional buyers.

Last Wednesday, Solomon also sponsored a food show to which 200 vendors were invited. They demonstrated new products and methods for state dieticians, stewards, and chief chefs who looked over the new wares and discussed mutual problems. A drug show is scheduled in March to show new drugs and surgical equipment.

"If the state knows what it really needs," Solomon says, "then we know how to buy. The taxpayer deserves to get the best value for each dollar we spend."

Bernard Solomon was president of his family's company in Boston before he resigned to take over his first state job as assistant to Massachusetts' Governor Foster Furcolo. When George J. Cronin reached the mandatory retirement age of 70 last October, Solomon was appointed to the \$14,000-per-year job as state purchasing agent.



BERNARD SOLOMON

A graduate of University of Illinois and Shrinham American University in England, Solomon majored in economics and government. During World War II, he served three and half years with the 8th Armored Division, including two years of combat duty in Europe.

His previous business experience was gained as president of Samuel Solomon, Inc. of Boston, a manufacturing firm. In this position, he was responsible for the annual purchase of \$400,000 worth of equipment.

Frank E. Sisk and **Walter N. Mullen** have been made district sales managers for Rockwell Mfg. Co.'s Delta Power Tool Division. Sisk will be at Newark, Calif., headquarters and Mullen will be located in Decatur, Ga.

Oren H. Persons, vice president and director of Edgcomb Steel Co., Philadelphia, resigned because of several heart attacks.

R. E. Morris succeeds **J. C. Lovelace**, who resigned, as St. Louis district manager for the Industries Group of Allis-Chalmers Mfg. Co. **W. P. Bell** takes over Morris' former post, manager of Industries Group sales in the Washington, D. C., office.

Dadour Dadourian has been elected president of Royal Metal Mfg Co., New York.

Stephen A. McHugh, formerly manager of the Toledo sales district, has been appointed manager of Sun Oil Co.'s Cleveland sales district. He succeeds the late **David B. Blackham**. **Rowland K. Burgie** becomes head of the Toledo district and **James E. Finch** has been named manager of the Brownsville, Pa., sales district. Finch replaced **Raymond E. Martin**, recently named manager of the Akron sales district.

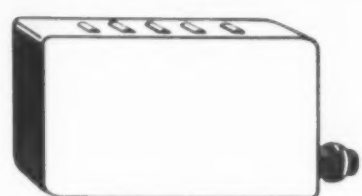
Boothe Ingram has been appointed manager of distributor sales for Acro Division, Robertshaw-Fulton Controls Co., Greensburg, Pa.

William Hartranft has been promoted by The Garlock Packing Co., Palmyra, N. Y. to product manager for the firm's gasketing line. **William R. Jones** has been named product manager of soft packing.

L. J. Soracco has been advanced to assistant to the president at Bethlehem Pacific Coast Steel Corp., San Francisco. **S. B. Flora**, formerly assistant sales manager, becomes sales manager for the Los Angeles area succeeding Soracco.

Leon B. Rosseau has been made president and treasurer of Ajax Electric Co., Philadelphia. **H. W. Schrader**, production manager, has been elected vice president and **B. R. Russell**, comptroller, becomes secretary.

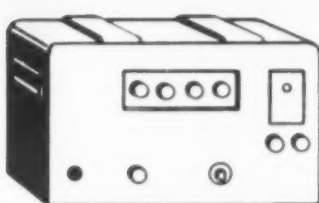
Basic Components of a Closed Circuit TV Installation



Camera

... takes a picture of the subject
Cost: \$500 up

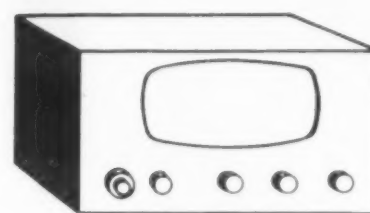
any
distance



Control Unit

... controls and transmits the picture
Cost: \$1,000 up

any
distance



Monitor

... displays the picture
Cost: \$300 up



Coaxial Cable 10-30¢/ft.



Camera Cable 35¢-\$1.00/ft.

ITV—Can Your Company Use One?

So far, industrial television (ITV) has been more intriguing than inviting to industrial purchasing agents. Costs have usually been too high to show quick savings payoff, and few agents, and plant engineers as well, have been aware of its many applications.

But costs are coming down. One manufacturer advertises a completely installed unit for \$1,995. As the ITV industry increases sales, and

its engineering and application know-how, costs will come down more.

Best sales estimates for 1957 range from \$3-million to \$7-million.—Sales in units between 1,000 and 1,500. Average present installed unit costs are probably between \$3,000 and \$5,000.

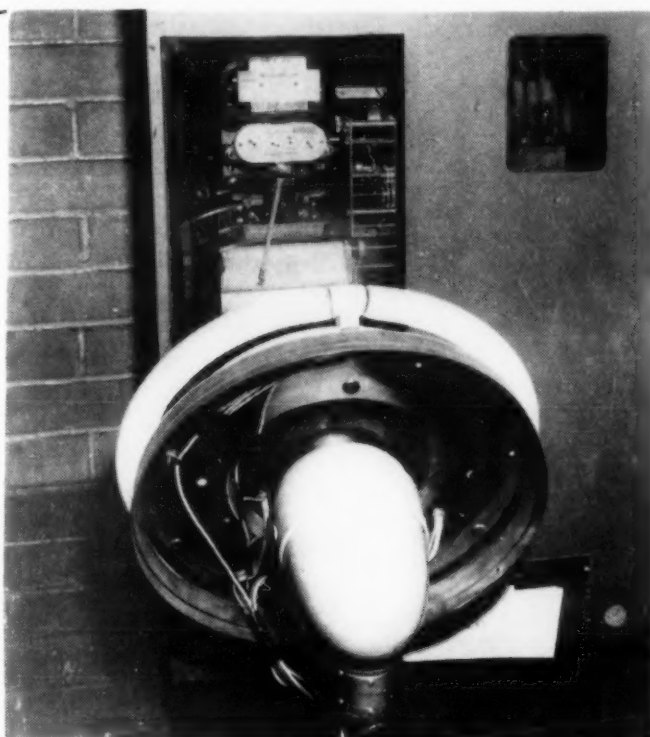
ITV can be had with sound (about \$400 extra). It is obtainable in color (about \$1,000 up extra). Transmission may be by coaxial cable or micro-

wave. Chiefly used is coaxial cable. ITV may also be rented—option to buy arrangements included. A wide range of accessories is available—such as Variable Light Compensator (\$240), allowing the camera to adapt to light conditions ranging from 5-foot candlepower to 600-foot candlepower. Such a feature is useful in boiler flame monitoring. Purchasing agents can expect more accessories as demand grows.

• Instrument Watching

As automation in industry grows greater, the reliance on instruments and gauges also becomes greater. ITV fits neatly into this pattern. Several cameras can replace several men in watching many instruments, located at great distances, through one monitor. Also, magnified views of instruments are obtainable on large TV monitors for greater readability and accuracy.

ITV, through a multi-camera setup, can often reduce the need for costly instruments at many locations.



CAMERA MOUNTED in electric company substation, where customer is barred, views meter for user.

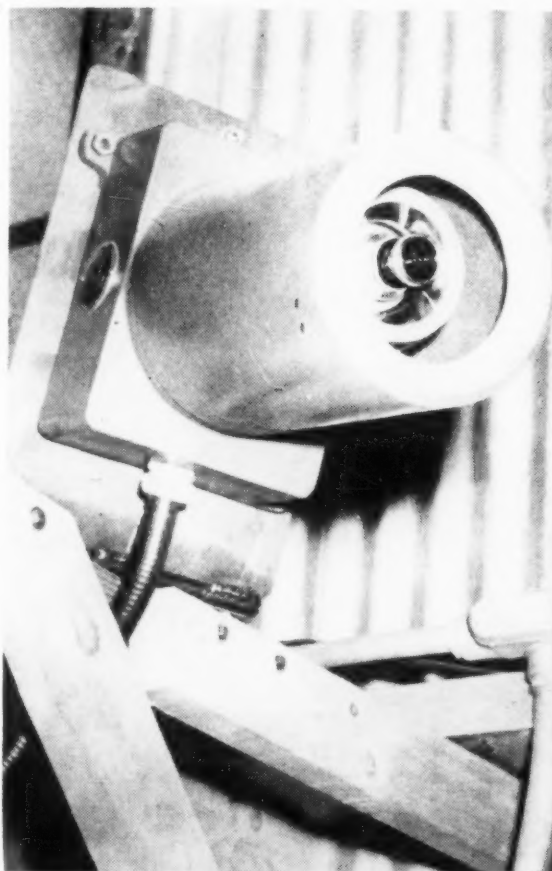


500-ft AWAY, in customer's plant, engineer makes load adjustment based on meter readings. ITV cost \$4,000 and saved \$850 monthly in electric bills.

• Safety Monitoring

Television cameras can operate effectively in places where it is dangerous for humans. Cameras can be shielded against practically any hazardous conditions. TV cameras can also operate continuously in areas where frequent relief must be provided for human observers.

Often savings result from a safety application of ITV. One Midwestern cement manufacturer saves \$36 a day in manpower and material through control of slurry flow into a kiln. It was formerly both dangerous and physically difficult for direct human observation.



CAMERA, with protective housing, monitors critical safety area at Esso research plant.



SHIFT FOREMAN views area on his office screen—ready to take action if needed.



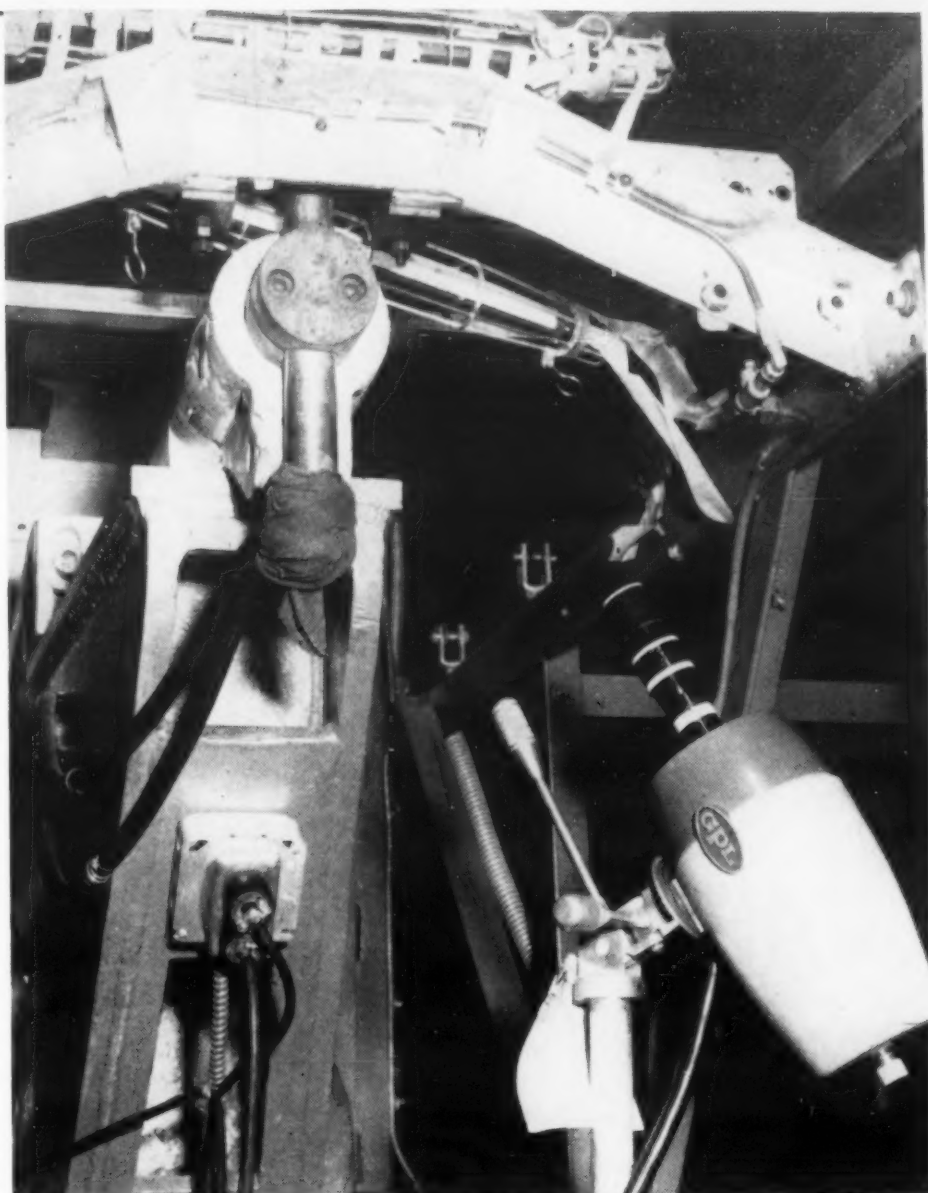
ENGINEER at BROOKHAVEN National Lab safely views radioactive work.

• Remote Viewing

TV is a "natural" for remote viewing. The need to watch or control operations from a distance gives rise to the greatest number of industrial applications of TV.

Sharon Steel Co. uses a multi-camera setup to check its furnace and rolling mill operations. The Armed Forces remotely observes from one headquarters station maneuvers and weapon testing at several locations up to nine miles away. This enables staff officers to evaluate effectiveness of various groups simultaneously. Lion Brothers, textile manufacturer, links the third floor designing department with the first floor embroidery machine department. This helps quality and process control and greatly improves communications.

Public utilities use TV cameras behind heat-resistant glass for flame control in generating plant steam generators. Heat and sensitivity of the human eye prevent direct observation. Also one man can observe all of the burners.



ITV AT RYAN AERONAUTICAL CO. eliminates need for "bird watcher" formerly stationed beneath welding platform to check on quality of spotwelds.



SPOTWELDER now easily watches quality of welds on underside of panels by checking enlarged TV view.

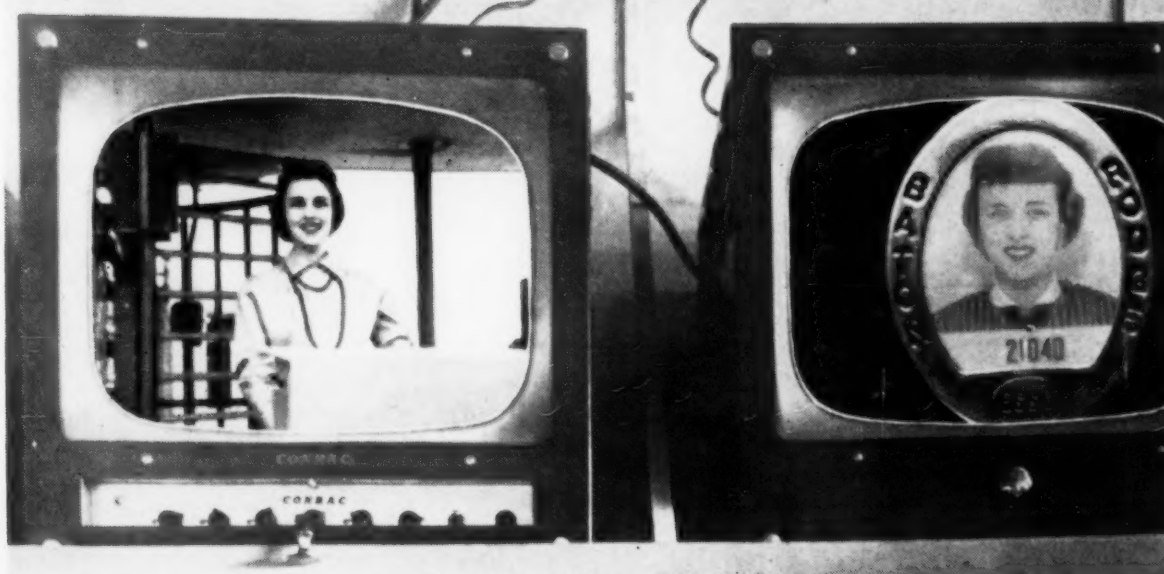
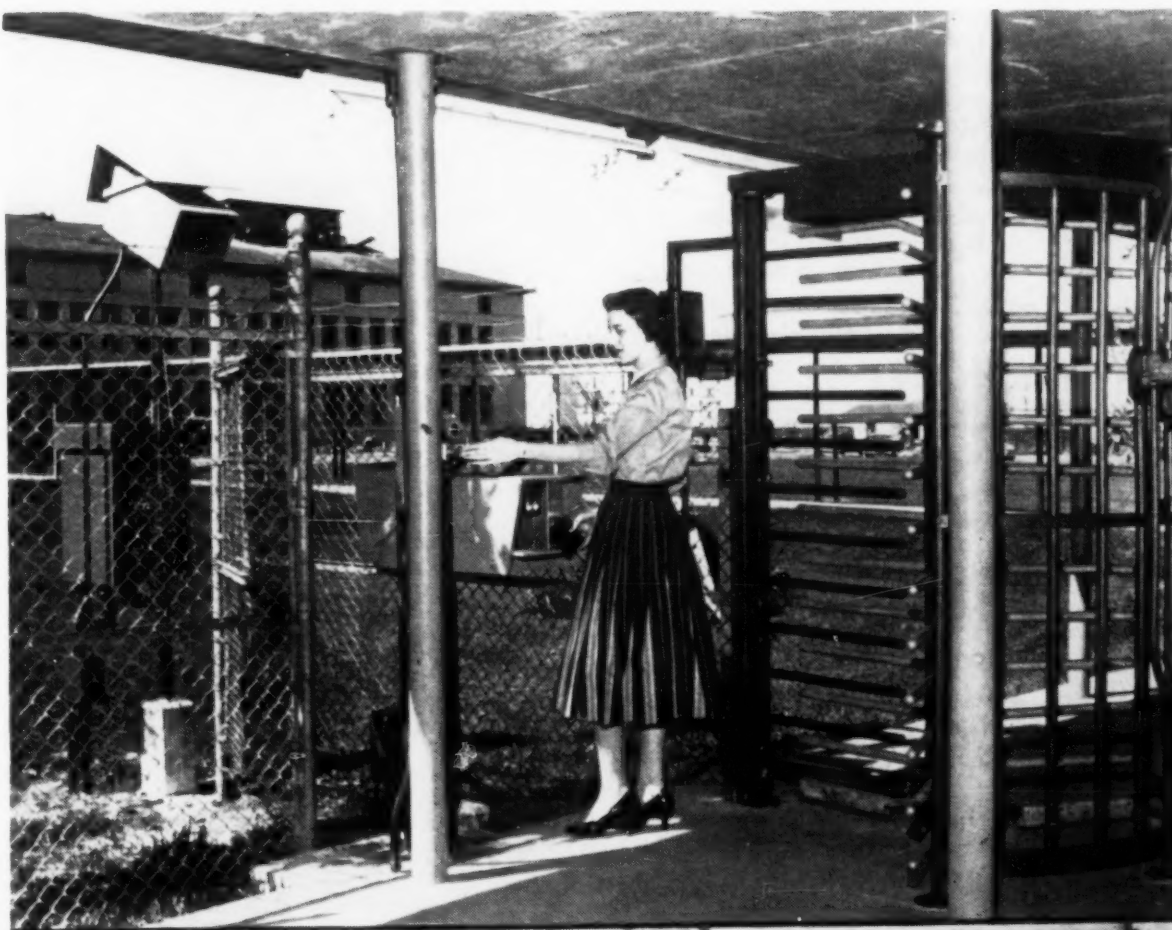
• Plant Security

TV monitors give an enlarged view that commands immediate attention when viewed from close quarters. Industrial plants and warehouses have found this feature of value in identification of persons attempting to enter.

As older men are often employed for plant security duty, the TV camera and a comfortable viewing station ease the employment problem. The use of

several cameras can often result in a reduction of the plant security force.

ITV has been used in cases where valuable materials are stored in remote areas of plants. In such cases, it has been reported that pilferage decreased merely because of the psychological factor of knowing that an "electric eye" is watching. Unlike a roving guard, a camera is always present.



BY USE OF ITV at Philco Corporation, one plant guard can observe three entrances to classified areas. Electric locks on doors are controlled from the guard's post.

EMPLOYEES AT ESSO CO. press buzzer to alert guard, then show badge to small camera. Larger camera flashes picture of employee. Guard presses button to open gates.



PANEL TRUCKS are more versatile than pickups and do not require regular truck drivers as do small vans.

SPECIAL PURPOSE TRUCKS available on lease include plate glass carriers.

Leasing Trucks Frees Your Working Capital

P.A.'s May Find This Cheaper Than Buying Them After Figuring Costs on Vehicle Cost Analysis Blank Below

Vehicle Cost Analysis

(Under Private Ownership)

FIXED EXPENSE

Per Year

1. Total Capital Investment	X X X X X X
2. Interest on Investment	
3. Finance or Carrying Charges (If Bought on Time)	
4. Depreciation on Cars or Trucks	
5. Painting and Re-Lettering Signs	
6. License Tags and Inspections	
7. Property Taxes (City State and County on all Vehicles plus Equipment Used for Maintenance of Same)	
8. Fire and Theft Insurance	
9. Public Liability and Property Damage Insurance	
10. Collision Insurance	
11. Garage Rent (Includes Insurance, Taxes, Maintenance and Depreciation of Building and Parking Space if Owned)	
12. Washing and Polishing (Including Soap, Sponges, Wax, Chamois, Hose, etc.)	
13. Uniforms, Overalls, Rags and Laundry	
14. Garage Labor	
15. Garage Supervision	
16. Office Work, Record Keeping, Stationery, Office Machines and Supplies, Maintenance of Cost Records	
17. Administrative Cost (Truck Supervision, Handling Insurance, Investigating Accidents, Purchasing, Interviewing Salesmen and Scheduling Maintenance)	
18. Time Lost Due to Delays from Lack of Substitute or Extra Trucks	
19. Garage and Parking Area Light, Heat, Water, Telephone	
20. Depreciation of Garage and Shop Equipment. Replacement of Lost and Broken Tools	
21. Road Service for Breakdowns, etc.	
22. Special Equipment (Tarpaulins, Heaters, Radios, Shelves or Racks)	

Remember in Calculating True Costs, Consideration must be made of Workmen's Compensation Insurance, Garage Liability Insurance, Social Security and Old Age Benefit. Premium paid Management on Group and Health Insurance. Extra Help Employed During Times of Vacations or Illnesses.

TOTAL FIXED COSTS

MILEAGE EXPENSE

23. Gasoline Purchased	
24. Oil Purchased	
25. Grease Purchased	
26. Tire and Tube Cost, Including Repairs and Recaps	
27. Replacement and Damage Repair Parts for Vehicles	
28. Repairs Done Outside of Company Shops	
29. Anti-Freeze and Tire Chains	

TOTAL MILEAGE COSTS

TOTAL COST PER ANNUM — (Fixed and Mileage)

Copyright Dixie System 1955. Courtesy National Truck Leasing System, Inc., Chicago.

By leasing instead of buying trucks, purchasing agents can create working capital. Costs of leased trucks can be determined accurately for budget purposes, and all charges deducted as business expenses for tax purposes. The only cost is a weekly or monthly bill.

All sizes and types of trucks may be leased. They can be tailored to your requirements, painted and maintained for your needs. With such wide choice available more companies are now turning to leasing.

The number of leased trucks doubled in 1956 to 225,000 and increased to about 275,000 last year. It is estimated that 30% of the long-term, full-service lease fleet is operated by "private users," truckers who would own their own equipment if leasing were not available.

Three types of leasing plans are available:

Full-Service, Long-Term. The lessee obtains trucks under a long-term agreement (3 to 5 years) from the owner, or lessor. The lessor supplies full service for maintenance—fuel, repairs, tires, lubrication, garaging, insurance—everything except the driver. The lessee pays a rental plus so much per mile.

Finance-Leasing. A long-term contract under which the lessor covers only ownership and capital investment in trucks. The lessee supplies, in addition to the driver, all repairs, lubrication, fuel, tires, garaging and insurance. Payments are made periodically on a regular lease charge.

Guaranteed Maintenance. The company buys trucks then contracts with the manufacturer to maintain them. Long-term financing on a chattel mortgage basis can make this plan a lease.

Variations Offered

There are also variations of these three long-term lease plans. Contract period, payment methods, and differences in extent of obligation of the lessor may vary to suit the lessee. Short term rentals by the day, week, or month are also possible but already well understood by P.A.'s.

Full-service, long-term leasing is for companies that want to minimize capital investment.

Finance-leasing is suitable for companies seeking to maintain their own trucks but minimize capital outlay. Some companies already having an efficient truck maintenance system feel they can do better maintenance than leasing companies. The company's maintenance gang may be primarily for plant maintenance but truck duties will allow a balanced work load. Or, the company may have reciprocal reasons for buying maintenance parts and services.

Guaranteed-maintenance plan, when used without a financing tie-in, is suitable for companies not having a capital outlay problem but wanting to budget maintenance and operation costs. These companies may want to be relieved of maintenance problems. With long-term financing, this plan may also suit the company that wants no capital investment but wants to own its trucks. The reason may be reciprocity. A truck manufacturer may be a customer.

Finance-Leasing Easy

Finance-leasing and guaranteed-maintenance plans are simple to understand as there is one fixed charge. A company's choice is usually dictated by a need to minimize capital expenditures. Such companies are not always concerned with cost comparisons. Their plan selection is usually based on one factor. But to the company taking a critical look at its overall truck costs, full-service, long-time leasing offers the greatest possibilities.

In buying any new product or service, the purchasing agent must know cost comparisons. What does it cost to own and run your own trucks? Truck leasing services contend that most companies do not know truck costs. If a company can accurately fill out a vehicle cost analysis (shown on this page), then it knows its truck costs. Unfortunately most companies will not be able to do this.

Interest Needed

One of the leading items in vehicle cost analysis is investment interest. Truck purchase expenditures are taken from working capital. Investment interest is often difficult to ascertain. Firms usually underestimate this figure. But the Securities and Exchange Commission and the Federal Trade Commission have estimated the national average of manufacturers' working capital return at 12%. This figure might be used as a guide in considering purchase costs, but it is not a substitute for company costs.

Maintenance Cost

Another figure difficult to compute is maintenance cost for each truck. A guide might be figures computed by "Fleet Owner" magazine. Each year it stages a nation-wide Maintenance Efficiency contest for fleet truck owners. Approximately 200 fleet owners entered the 1957 contest. Of the 23 award-winning truckers, representing over 8,000 trucks of various types and sizes, the average maintenance cost per mile was 8¢. Eleven of these companies included only material and labor costs. The 12 companies which included overhead costs showed an average maintenance cost of 12¢ per mile.

There is only one way a company can obtain the cost of leasing trucks. A leasing firm will compute costs on specific requirements. Because truck leasing is



SPECIAL TRACTOR TRAILER highlights 'release of capital' in leasing—cost: \$24,000.



TRACTOR TRAILERS, in any combination of tractors and trailers, are lease available.

a tailor-made proposition, features can be included or excluded to suit lessee. Lessee or lessor may handle garaging, fuel purchasing, washing and polishing, and insurance.

All types and sizes of trucks are available.

A good idea of lease costs for various truck models and sizes can be obtained from the prices quoted by a leading truck-lease company. (See box below)

Costs Are Analyzed

Bills are payable weekly. In the case of the first listed truck—a 16 ft. flat-bed truck with a 9-ton payload if used for 400 miles, the weekly cost would be \$81.17. This amount includes rent \$41.17 and a mileage charge of \$40. based on 400 miles at 10¢ per mile. If the truck exceeds 600 miles in any week, the additional mileage charge is slightly higher. The proposed mileage is based on the previous average of the lessee's trucks or on their expected mileage.

Fixed rental is based on the truck size and model, and usage.

In an economy of rising prices there is a marked appeal for long-term leasing.

Usually, the only escalation feature covers fuel cost. If the price of gasoline rises a full cent or more per gallon the mileage charge is increased. Tax and license increases are sometimes chargeable to the lessee.

Canceling Permitted

If the lessee wants to cancel a long-term contract, he can usually do so by buying the trucks at a depreciated rate. The lessor usually can cancel on 60-day notice at the end of any contract year. The lessee may take the purchase option on the depreciated rate.

In considering the above cost-guide figures, it should not be forgotten that all costs of leasing trucks are deductible as operating expenses for tax purposes.

Finally, in comparing truck lease and ownership costs, present ownership costs should be extended over the proposed lease period. Unless present costs are projected, a company will be unfairly comparing last year's costs with next year's costs. Know the lease plan that best suits your company, and know the lease and ownership costs on a projected basis.

Typical Full-Service, Long-Term Lease Charges

(Weekly mileage operation—minimum 200 miles, maximum 600 miles)

BODY STYLE	PAYLOAD	WKLY.		MILEAGE
		FIXED CHG.	CHG.	
16' Flat Bed	9 Ton	\$41.17	\$.10	
16' Van	9 Ton	\$46.45	\$.10	
Tandem 16' Flat Bed	12½ Ton	\$49.82	\$.13	
Tandem 16' Van	12½ Ton	\$58.95	\$.13	
Tractor	12 Ton	\$40.88	\$.10	
S/A Van Semi	12 Ton	\$34.95	\$.10	
Tractor	15 Ton	\$45.47	\$.10	
T/A Van Semi	15 Ton	\$42.50	\$.10	

Meetings You May Want to Attend

FIRST LISTING

National Society of Professional Engineers—Spring Meeting, Michigan State University, East Lansing, Mich., Feb. 13-15.

Southern Safety Conference—Exposition, Peabody Hotel, Memphis, Tenn., March 2-4.

Electrical Industry Show and Electrical Maintenance Conference—Shrine Exposition Hall, Los Angeles, March 27-29.

Association of Iron and Steel Engineers—Spring Conference, Dinkler-Tutwiler Hotel, Birmingham, Ala., April 21-23.

Western Air Conditioning Industries Association—Western Air Conditioning, Heating, Ventilating and Refrigeration Exhibit and Conference, Shrine Exposition Hall, Los Angeles, May 7-11.

Edison Electric Institute—26th Annual Convention, Convention Hall, Boston, Mass., June 9-12.

National Association of Electrical Distributors—50th Annual Convention, Civic Auditorium, San Francisco, June 9-13.

International Automation Exposition and Congress—Coliseum, New York, June 9-13.

American Institute of Electrical Engineers—Summer General Meeting, Buffalo, June 22-27.

PREVIOUSLY LISTED JANUARY

Association of Steel Distributors—Convention, Algiers Hotel, Miami Beach, Fla., Jan. 26-Feb. 2.

Industrial Heating Equipment Association—Annual Meeting, Penn-Sheraton Hotel, Pittsburgh, Jan. 27-28.

American Society of Heating and Air-Conditioning Engineers—64th Annual Meeting, Penn-Sheraton Hotel, Pittsburgh, Jan. 27-29.

Institute of Aeronautical Sciences—Annual Meeting, Hotel Sheraton-Astor, New York, Jan. 27-30.

Plant Maintenance and Engineering Show and Conference—International Amphitheatre, Chicago, Jan. 27-30.

Society of Plastics Engineers—Annual Technical Conference, Sheraton-Cadillac Hotel, Detroit, Jan. 28-31.

Steel Plate Fabricators Association—Annual Meeting, Roosevelt Hotel, New Orleans, Jan. 30-31.

FEBRUARY

Power & Communications Contractors Association—13th Annual Convention, Roosevelt Hotel, New Orleans, Feb. 2-5.

Instrument Society of America—National Conference on Progress and Trends in Chemical and Petroleum Instrumentation, Wilmington, Del., Feb. 3-4.

Public Utility Buyers Group, NAPA—Mid-Winter Meeting, Sheraton Hotel, Philadelphia, Feb. 3-5.

American Institute of Electrical Engineers—Winter General Meeting, Statler and Sheraton-McAlpin Hotels, New York, Feb. 3-7.

Society of the Plastics Industry, Inc., Reinforced Plastics Division—13th Annual Conference, Edgewater Beach Hotel, Chicago, Feb. 4-6.

National Tool and Die Manufacturers Association—Winter Meeting, Ambassador Hotel, Los Angeles, Feb. 5-8.

Purchasing Agents Association of Alabama—Annual Seller-Buyer Dinner, Dinkler-Tutwiler Hotel, Birmingham, Ala., Feb. 13.

American Institute of Mining, Metallurgical and Petroleum Engineers—Annual Meeting, Statler and Sheraton-McAlpin Hotels, New York, Feb. 16-20.

Motor and Equipment Wholesalers Association—National Convention, Statler Hotel, Los Angeles, Feb. 18-19.

Annual Chicago World Trade Conference—Chicago, Feb. 27-28.

MARCH

American Machine Tool Distributors Association—Spring Meeting, Hotel Roosevelt, New Orleans, March 10-11.

Nuclear Congress—Co-sponsored by American Society of Mechanical Engineers and Engineers Joint Council, International Amphitheatre, Chicago, March 16-21.

Steel Founders' Society of America—Annual Meeting, Drake Hotel, Chicago, March 17-18.

National Association of Corrosion Engineers—Annual Conference and Exhibition, Municipal Auditorium, San Francisco, March 17-21.

American Power Conference—20th Anniversary Meeting, Sherman Hotel, Chicago, March 26-28.

APRIL

American Welding Society—Annual Meeting and 6th Welding Show, Statler Hotel, St. Louis, April 14-18.

MAY

American Society of Tool Engineers—Tool Show and Annual Meeting, Convention Center, Philadelphia, May 1-8.

National Tool & Die Manufacturers Association—Spring Meeting, Statler Hotel, Washington, May 3-6.

National Welding Supply Association—14th Annual Convention, The Americana, Miami Beach, Fla., May 5-7.

American Public Power Association—Annual Meeting, New Orleans, May 6-8.

American Material Handling Society—1958 Western Material Handling Show, Great Western Exhibit Center, Los Angeles, May 8-10.

National Association of Purchasing Agents—Annual Convention, Conrad Hilton Hotel, Chicago, May 11-14.

American Society for Metals—Southwestern Metal Exposition and Congress, State Fair Park, Dallas, May 12-16.

American Foundrymen's Society—62nd Annual Convention and Exhibition, Public Auditorium, Cleveland, May 19-23.

American Iron & Steel Institute—Annual Meeting, Waldorf-Astoria Hotel, New York, May 21-22.

Triple Industrial Supply Convention—Waldorf-Astoria Hotel, New York, May 26-28.

JUNE

American Society of Mechanical Engineers—Semi-Annual Meeting, Statler Hotel, Detroit, June 15-19.

American Society for Testing Materials—Annual Meeting, Statler and Sheraton Plaza Hotels, Boston, June 22-27.

SEPTEMBER

Association of Iron and Steel Engineers—Annual Meeting, Public Auditorium, Cleveland, Sept. 23-26.

OCTOBER

Foundry Equipment Manufacturers Association—Annual Meeting, Greenbrier Hotel, White Sulphur Springs, W. Va., Oct. 16-18.

Conveyor Equipment Manufacturers Association—Annual Meeting, Greenbrier Hotel, White Sulphur Springs, W. Va., Oct. 18-21.

American Society for Metals—National Metals Exposition and Congress, Public Auditorium, Cleveland, Oct. 27-31.

NOVEMBER

National Electrical Manufacturers Association—Annual Meeting, Hotel Traymore, Atlantic City, Nov. 10-14.

National Electrical Contractors Association—Annual Convention and National Electrical Exposition, Adolphus Hotel, Dallas, Nov. 16-21.

Society of the Plastics Industry—8th National Plastics Exposition, International Amphitheatre, Chicago, Nov. 17-21.



Acid Mixer

Made of Welded Polyethylene

Acid mixer, with a steel-angle frame support, has a specially constructed sloping bottom for complete drainage. The mixer is constructed of polyethylene and has an all-welded fabrication. Tank's shell is 14½ in. outside diameter, ¼ in. thick, seamless centrifugal cast polyethylene. Capacity is 10 gal. There are seven flanged outlets, each 1 in. in diameter. An all-welded polyethylene shape eliminates the possibility of patching and rewelding maintenance.

Price: \$230. Delivery: 10 days.
American Agile Corp., P. O. Box 168,
Bedford, Ohio (1/20/58)



Hand Turret Lathe

For Short-Run Work

Screw machine is designed primarily for short production runs, 50, 500, or 1,000 pieces. The machine provides rapid chucking and multiple tooling. Bed turret has six stations for as many as six operations. Operator manually turns pilot wheel to move turret from one operation to another. Pilot wheel feed combines rapid slide movement with 8 in. travel. Wide range of job sizes can be accommodated. Price: \$1,534 to \$1,705. Delivery: 30 days.

Delta Power Tool Div., Rockwell Mfg. Co., 475 Lexington Ave., Pittsburgh 8, Pa. (1/20/58)



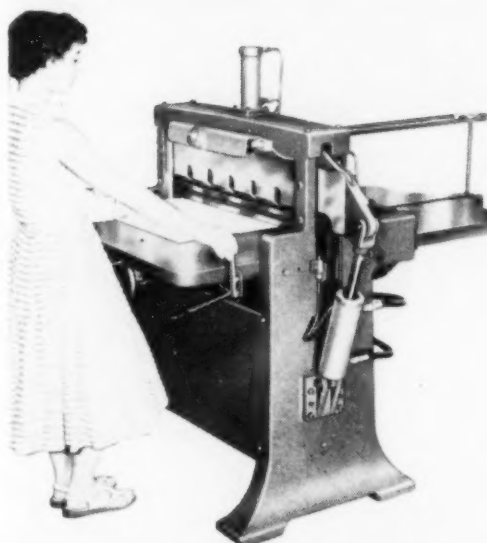
Contractors' Pumps

Weigh Only 45 Lb.

Model 4M engine-driven centrifugal pump, rated by Association of General Contractors, features a recirculation port design which is said to eliminate valves and permit renewal of internal clearance. Corrosion-resistant aluminum construction permits a weight of only 45 lb. All parts which are subject to wear are made of cast iron and steel. Other AGC rated sizes include 7, 10, 15, 20, 30, 40, and 90 M. Line also includes non-rated aluminum 3M pumps.

Prices: About \$135 (4M); about \$110 (3M). Delivery: immediate.

Worthington Corp., Plainfield, N. J. (1/20/58)



Paper Cutter

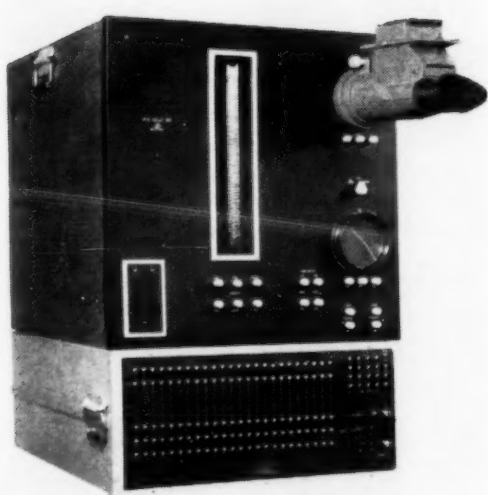
Has Power Knife Operation

Power paper cutter is designed to cut through stacks of paper with sheets up to 19-¾ in. in width and 2-½ in. in thickness in 3 sec. A special two-handed safety control requires the operator to have both hands on the controls, away from the knife, at all times during the cutting operation.

Hand-lever units are available in 19, 23, 26, and 30 in., capable of handling piles of paper 2½ to 3¼ in. thick.

Price: From \$518 (19-in. lever model) to \$2,556 (30-in. power model. 19-in. model described). Delivery: 2 weeks.

Challenge Machinery Co., Grand Haven, Mich. (1/20/58)



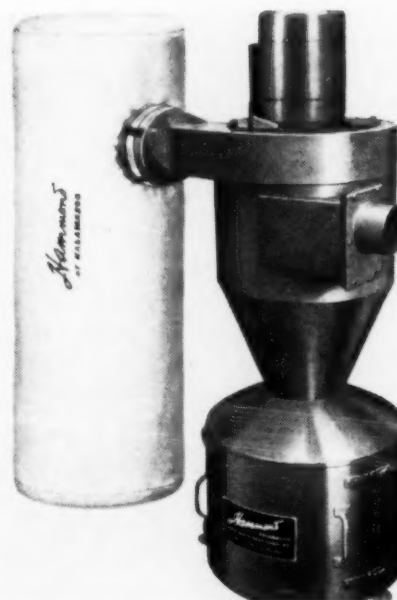
Portable Instrument

Processes Seismic Data

The "VIP" (Variable Intensity Plotter) provides central office processing and interpretation of seismic data. Unit is portable. The system operates on 115 v. 60 cps. ac. and requires about 2 kw. Components consist of a visual display unit and a computing unit. Both units fit together. The VIP displays seismic data on the face of a 20-in. cathode ray tube for visual examination. A 5-in. tube permits photographic recording of data.

Price: \$16,500. Delivery in 120 days.

Texas Instruments Inc., 3609 Buffalo Speedway, Houston 6, Texas (1/20/58)



Small Dust Collectors

For Light and Medium Duty

Small-sized dust collectors are said to be ideal for collecting dust from light and medium dust-creating sources. Centrifugal precipitation and gravitation for the removal of larger particles is the principle on which the equipment operates. Junior DusKolectors are available in two capacities, 400 cfm. and 600 cfm., and operate on ½-hp. motor and 1-hp. motor respectively. Small particles are exhausted outdoors or trapped in a bag attached to the outlet. Bag is easily removed and equipped with a zipper for quick cleaning.

Price: From \$295. Delivery: immediate.

Hammond Machinery Builders, Inc., Kalamazoo, Mich. (1/20/58)



Walkie Fork Truck

For Congested Areas

Model TTF Fork Hi-Lift truck is designed for ceiling-high storage in congested warehouse areas where larger trucks find difficulty in maneuvering. It features compact construction and short turning radius. Manufacturer says the truck multiplies the volume that one man can move, lift, and store in a given time. Telescopic model is battery powered with a total lift of 121¼ in., and a mast tilt of 10 deg. back-ward, 2 deg. forward. Capacities range from 2,000 to 3,000 lb.

Price: From \$2,739 up, without battery and charger. Delivery: immediate.

Barrett-Cravens Company, 628 Den-dee Road, Northbrook, Ill. (1/20/58)



Plating Agent

For Smooth Copper Plating

CuSol process permits smooth, fine-grain copper plating as shown in 0.030 in. thick sample (left). The 0.016 in. plate (right), deposited in an ordinary acid copper bath, reveals a rough, granular surface with nodular build-up along the edges. CuSol-plated sample has same ductility and elongation as conventional-plated sample. Recommended applications include electroformed molding operations and printed circuit manufacture.

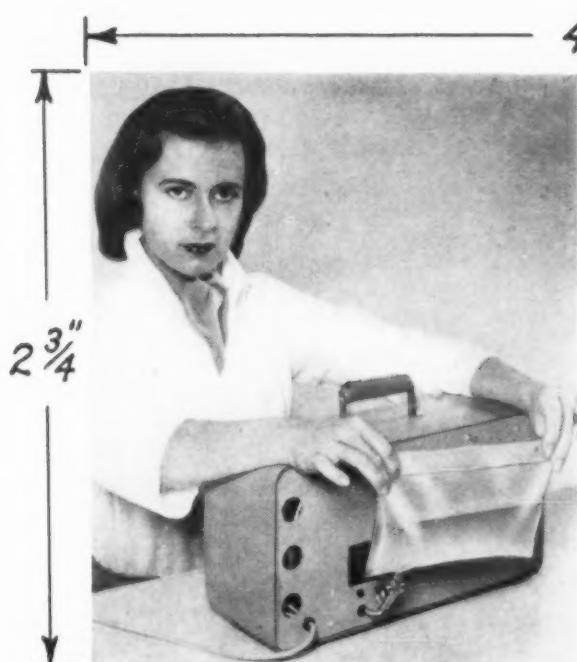
Prices: From \$1.075/gal. (149 gal. or less) to \$0.25/gal. (1,000 gal. or more). Delivery: immediate.

Seymour Mfg. Co., Seymour, Conn. (1/20/58)

New Products

Another PURCHASING WEEK service: Price and delivery data with each product description.

Picture aids product recognition



Portable Photocopier

Ends Chemical Mixing

Contoura-Matic makes photo-exact copies on white, colored or transparent paper. It also makes film for offset plates and transparencies for projection work. The machine has a plastic cartridge in which processing liquids are premixed, eliminating mixing and pouring. A plastic container full of premixed chemical developer is snapped into place so it pours in and out of the machine automatically. Machine weighs less than 12 lb. and turns out four copies a minute. A single copy takes 25 sec.

Price: \$189. Delivery: immediate.

F. G. Ludwig, Inc., Dept. C-M, 103 Coulter St., Old Saybrook, Conn. (1/20/58)

Size permits you to paste on 3x5 card
Copy gives only pertinent details, cuts your reading
How much it costs and how soon you can get it
You'll know when item appeared

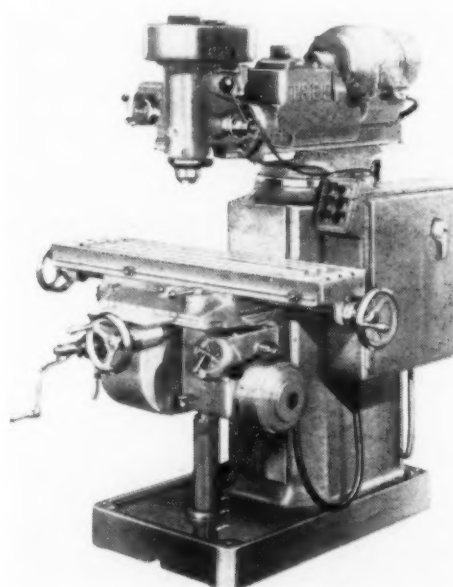
Floor Maintenance Machine

Eliminates Stopping

Challenger chassis is specially designed to work under low furniture and recessed counters. With Holt quick-change attachments, the operator can convert the Challenger from polishing to waxing, buffing, and other hand jobs. The machine design includes static shock eliminator, self-leveling brush bracket, safety handgrip switch, non-marking rubber bumper and cable, and quiet-running gear reduction unit. Machine comes in 14, 16, 18, and 20 in. brush spreads and is made in two styles.

Price: \$270 to \$410 (standard); \$305 to \$440 (deluxe). Delivery: immediate.

Holt Manufacturing Co., 669 20th St., Oakland 12, Calif. (1/20/58)



Vertical Milling Machine

For Machine Shops

The 2VG Mill has a quill capacity to handle cutters up to 4 in. in diameter. The quill is driven by a 3 hp. motor mounted on the ram. The mill has an automatic collet closer for holding cutters in position and eliminating tool slippage. The roller spindle drive feature eliminates the backlash typical of standard involute spline drives and the turret lock operates with a single motion. The machine's 12 speeds range from 50 to 2500 rpm. The Mill has 6 geared changes in ram gear box, high-low-range selection on head.

Price: \$4,850. Delivery: 3 to 4 weeks.

Tree Tool and Die Works, 1600 Junction Ave., Racine, Wis. (1/20/58)

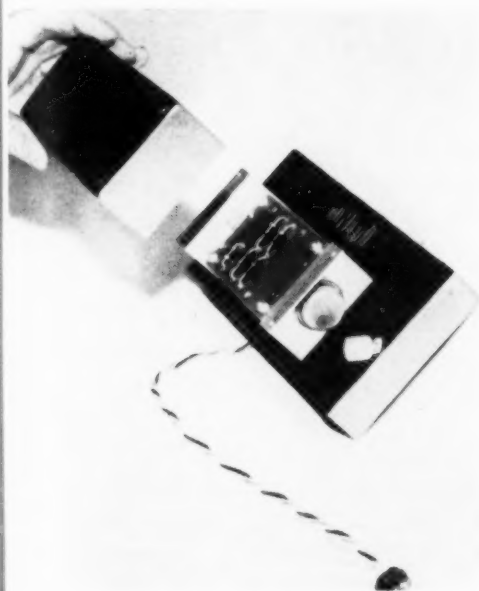
Transistorized Power Supply

For Mobile Radio Equipment

Transistorized unit can supply power for existing two-way radio equipment. It furnishes total standby receiver high voltage, thereby decreasing the standby drain of mobile unit's receiver section. Input voltage is 13.8 v. dc. nominal with a $\pm 20\%$ variation. Output voltage is 250 v. dc. ± 10 v. at a 90 milliamper load. The transistorized package measures 6 in. long by 2 3/4 in. high and is 1 1/2 in. deep. Other specifications include a 5% half-to-full-load voltage regulation.

Price: \$50. Delivery: immediate.

Allen B. Du Mont Laboratories, Inc., 750 Bloomfield Ave., Clifton, N. J. (1/20/58)



Electrical Pencil Pointer

For the Drafting Room

Point-O-Matic contains a small synchronous motor which directly drives a fine sanding disk. Disk is permanently oriented to provide an acute angle on drawing pencil leads. The pencil admittance hole contains a spring-loaded switch, which operates the motor when a pencil is inserted, turns motor off when pencil is withdrawn. Point-O-Matic sharpens lead of either semi-automatic mechanical drawing pencils or leads of wooden pencils.

Price: \$14.95. Delivery: Within 10 days.

Johnson Manufacturing Co. Inc., 146 Main St., Monroeville, Ind. (1/20/58)

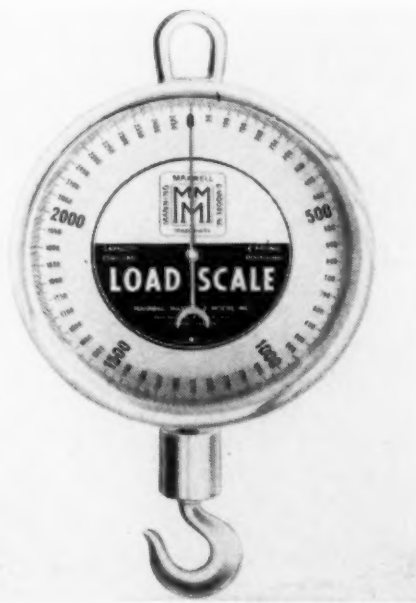
Quality Hand Trucks

Handle Skids and Pallets

These trucks handle both skid platforms and pallets, according to design. Platform models are available in a number of sizes and shapes. The pallet models are well standardized in industry with forks 36, 42, and 48 in. long. Most popular pallet trucks have a carrying frame 27 in. wide, but other sizes are available. Capacities of hand trucks range from 1,000 lb. in the mechanical lift up to heavy-duty hydraulic multiple stroke lifts with a capacity of 10,000 lb.

Price: \$553. (Model AH, left). Delivery: 4 to 6 weeks.

Automatic Transportation Co., 149 West 87th St., Chicago 20, Ill. (1/20/58)



Load Scale

Attaches to Lifting Hook

MMM Load Scale weighs and handles materials in one time-saving operation. Scale is precision made and is accurate to within 2/10ths. of 1% of the full scale reading. The mechanism is sensitive to weight changes of less than 1/2 of one division. It weighs only 42 lb. but is ruggedly constructed to withstand rough usage. It is unaffected by heat or cold within normal temperature ranges. Warns against hoisting equipment overload.

Prices: \$395 to \$450 (depending on capacity). Delivery: one week.

Shaw-Box Crane and Hoist Div., Manning, Maxwell & Moore, Inc., Muskegon, Mich. (1/20/58)

More New Products



Gas Chain Saw

Model 534 chain saw has power and stamina for felling and cutting trees up to 48 in. in diameter. It is available in 14, 16, 20 and 24 in. bar sizes. Price: starts at \$169.50 for 16 in. bar. Delivery: immediate. **Porter-Cable Machine Co.,** Syracuse, N. Y. (1/20/58)

Comparator Amplifier

S. I. Electronic comparator is designed for quick, accurate process gaging on machine or at operation site. Construction consists of two basic parts: a gaging head with a steel tip that is placed in contact with the work piece, and an amplifier unit which records the magnified movement on an easy-to-read dial. For normal operation the S. I. Comparator requires only two controls. Price: \$425. Delivery: immediate. **Threadwell Tap & Die Co.,** Greenfield, Mass. (1/20/58)

Drive Units

Variable-speed drives offer speed ranges of as high as 100:1 for jogging and low-high speed set-up work. A twist of a speed-setting dial applies power directly to machinery. A single, convenient operator's station provides control for start, stop, jog, and precise speed selection. Prices: V-S start at \$420 and up—depending on hp. and complexity. Delivery: immediate for sizes from 3/4 through 30 hp. **Reliance Electric and Engineering Co.,** 24701 Euclid Ave., Cleveland 17, Ohio. (1/20/58)

Centrifugal Pumps

Elastomer-lined pumps handle Muriatic acid, bleaching agents, mixed acids, cleaning and plating solutions, abrasive slurries, and other destructive media. Pump resists damage by stray currents in plating baths, and from galvanic effects. Price: \$290 to \$800. Delivery: immediate. **Ampco Metal, Inc.,** 1745 South 38th St., Milwaukee 46, Wis. (1/20/58)



Ceiling's the limit...

with Hinde & Dauch boxes. How do your boxes stack up? Sturdy H & D boxes have stacking strength built in. They stand straight. For top to bottom product protection, better see H & D.

HINDE & DAUCH

Division of West Virginia Pulp and Paper Company

Authority on Packaging • Sandusky, Ohio • 15 Factories • 42 Sales Offices

This Week's

Product Perspective

JAN. 20-26

Titanium's boom has turned into a boomlet.

Cutbacks in military procurement have just about pulled the rug out from under the industry. **Second-half 1957 output of mill products should be about 1,850 tons compared with the first-half's 3,828 tons. The prospect for 1958 is little brighter.** Current emphasis on missiles because of the Sputniks is not likely to help much either; there's little titanium in missiles.

But this doesn't mean you will soon see more products made with titanium.

The titanium producers have always aimed at tonnage uses in commercial fields. Now with titanium capacity bursting at the seams, producers have no choice but to concentrate on **the civilian market.** Even so, they think that such a market **will not be easy to build right away.**

Two things stand in the way of a spurt in new product development—price and experience.

• **The cost of sponge—the metal's raw material—has dropped from \$15 a lb. in 1950 to \$2.25 today. But this is only the beginning.**

By the time sponge has been turned into usable mill products, costs have skyrocketed. For instance, high-strength, heat treated titanium alloy sheet is priced at up to **\$20 a pound.** There are no technical breakthroughs in sight that could bring titanium mill prices down to a reasonable \$2.

In some applications the metal's high price can be justified. A pressure vessel for example may cost 1.5 to 5 times as much as a stainless steel vessel. But it can last much longer than a stainless steel one.

Researchers have suggested one way to lick the cost bugaboo, at least in some applications. A thin layer of titanium is bonded to cheap carbon steel—much like the relatively common stainless-clad carbon steel. The titanium layer provides corrosion resistance while the carbon steel provides the backbone. Brazing joins the two metals. Resulting sandwich can be formed and welded.

• **Fabricators still find titanium difficult to handle although considerable progress is being made.**

It is slow and tough to machine, difficult to form at room temperature. It often needs a protective atmosphere before it can be worked hot, welded, or heat treated. And a practical casting material is not yet available.

Scrap still presents a problem.

Fabricators can't recover some of their material costs the way they can with aluminum. Remelted scrap is too contaminated to have much value. But one producer has a pilot plant nearly ready for operation. The industry hopes it will point the way toward a solution to the scrap problem.

Long range, the producers are optimistic. The reasons, are obvious: Titanium weighs about half as much as steel and has roughly the same strength. It is highly resistant to corrosion. And it is the fourth most abundant structural metal in the earth's crust. So it is bound eventually to find a wide use.

The producers have already hung their hats on one market—chemical processing. Titanium has been tried in pumps, valves, pressure vessels, pipes, and heat exchangers. The metal's durability is the big selling point here.

There's talk too of using titanium in pulp mills, marine applications, food processing, and petroleum processing. But any substantial inroads on these markets will take some time. Still, this is the way most new materials find their way into industry.

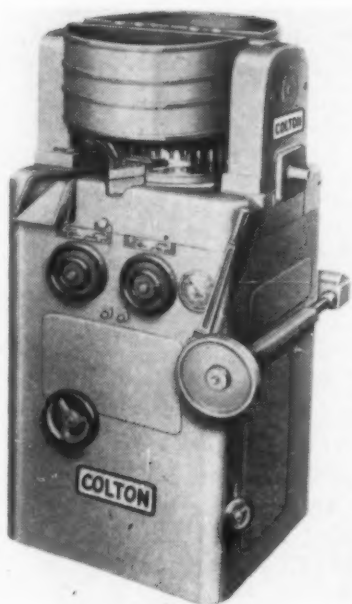
Almost every knock on your door brings word of a new product. **Despite this apparent plethora of new things to make your business better, Product Perspective finds that sometimes the product you are looking for just hasn't been invented.**

Thus **Salvatore Frustaglia**, buyer for Colonial Sand & Gravel Co., New York City, has searched fruitlessly for a **small lightweight engine-pump combination.** These are Sal's specifications: It should be light enough for one man to carry, have a 1½-in. discharge, and preferably be diesel-engine driven. Its function: to de-water excavations.

For his suggested new product, **PURCHASING WEEK** is sending him a \$5 check with its compliments—and will do likewise for any purchasing executive who dreams up a suggestion that will describe or improve a product or process. It must be practical, though—(no perpetual-motion devices or space ships). It can range from a simple invoice form to a gigantic piece of machinery—just so something can be done about it.

The winners—together with their suggestions—will appear here regularly.

Your Weekly Guide to New Products — Continued from page 19



Rotary Tablet Press

Has No Die Lock Screws

High-speed double rotary tablet press is capable of producing up to 3,600 compressed tablets per minute with single tooling. High-strength head design on the Model 249 machine has a clamp ring that eliminates die lock-screws, avoids die push-up and improves punch alignment. The 49-die press has low-level, over-sized, twin stainless steel hoppers which can be quickly removed to expose the entire top area of the machine for servicing and upper punch removal.

Price: Approx. \$8,000. Delivery: Immediate.

Arthur Colton Co., 3400 E. Lafayette, Detroit 7, Mich. (1/20/58)



Tiny Tape Recorder

Weights Less Than 3 Lb.

Gray Voice Camera is completely self-contained magnetic tape recorder equipped with mercury-type batteries having 50-hr. life. Unit measures 2 3/16 x 4 3/4 x 7 in. and weighs 2 3/4 lb., batteries included. Tape speed is 1 7/8 in. per second. Taped message can be reproduced on a standard 1 7/8 in. per sec. tape machine. Completely transistorized in its amplifier section, instrument has two-way playback-loudspeaker or microphone. The frequency response is 150 to 5,000 cps.

Single unit price: About \$300. Delivery: immediate.

Gray Mfg. Co., Arbor St. & Capitol Ave., Hartford, Conn. (1/20/58)



Pulpwood Loader

Allows Far Side Placement

Pulpwood loader attachment for G-3 series of lift trucks is designed to accomplish all handling functions connected with receiving, storing, and shipping pulpwood. The attachment's 132-in. outreach permits placement of a load on the far side of the car even when a load has already been put in a place on the side of the car closet to the truck. As an aid to achieve maximum outreach, the attachment is mounted at a 12 deg. angle to the channels of the truck. Capacity of the attachment ranges from 6,700 to 9,400 lb.

Price: \$1,425. Delivery: 3 to 4 weeks.

Yale & Towne Mfg. Co., 11,000 Roosevelt Blvd., Philadelphia 15, Pa. (1/20/58)



Portable Pipewall Gage

Is Transistorized

AccuRay portable thickness gage permits fast nondestructive pipewall measurements. Unit weighs 7 1/2 lb. and can measure absolute pipewall thickness directly on pipes ranging from 2 to 8 in. nominal diameter. The measurement unit, which gives a reading independently of pipe diameter, maintains a permanent calibration. Since the principle of radiation absorption is used, nonferrous or plastic piping may be measured.

Price: \$1,350. Delivery: approximately 3 months.

Industrial Nucleonics Corp., 1205 Chesapeake Ave., Columbus 12, Ohio. (1/20/58)



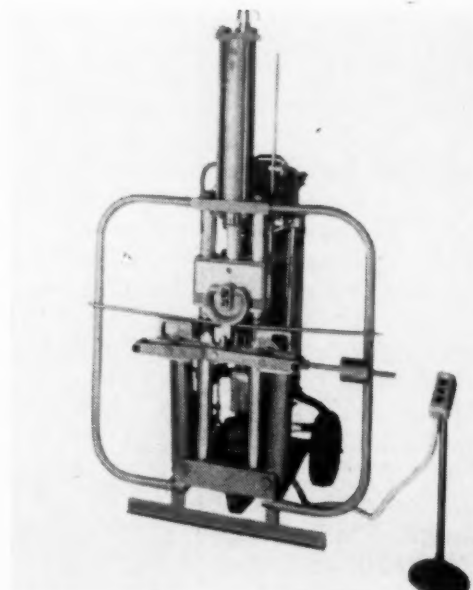
Rotary Compressors

Operate at 100 and 200 Psi

Tank-mounted rotary compressors in 2, 3, and 5 hp. models operate at 100 and 200 psi. They are designed for automotive repair shops and general industrial applications. Davey Hydrovane Rotary units are easily installed and do not require compressor rooms or foundations. Units are completely enclosed and there are no belts or couplings. Modulation, start-stop or combination modulation and start-stop unloading mechanisms can be furnished. Units are lightweight and compact.

Prices: From \$600 to \$1,000. Delivery: Immediate to 10 days.

Davey Compressor Co., Kent, Ohio (1/20/58)



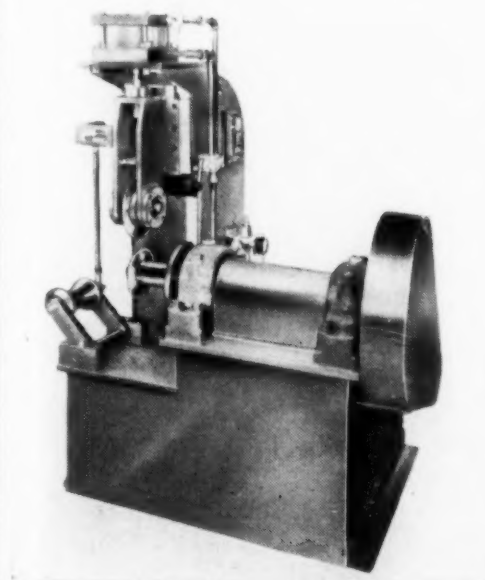
Hydraulic Bender

Is Vertical Ram-Type

Wallace No. 1402 vertical ram-type bender is used for press bending. It requires floor space of only 100x45 in. Unit can bend to 180 deg. with no repositioning of dies or relocating of material. It can bend 2-in. heavy-weight steel pipe, as well as coils, return bends, special curves, angle irons, channels, reinforcing bars, flat bars, etc. Initial setting of the duplicator stop will make an unlimited number of the same bends.

Price: \$2,830 without dies. Delivery: 7 to 10 days.

Wallace Supplies Mfg. Co., 1304 Diversey Parkway, Chicago 14, Ill. (1/20/58)



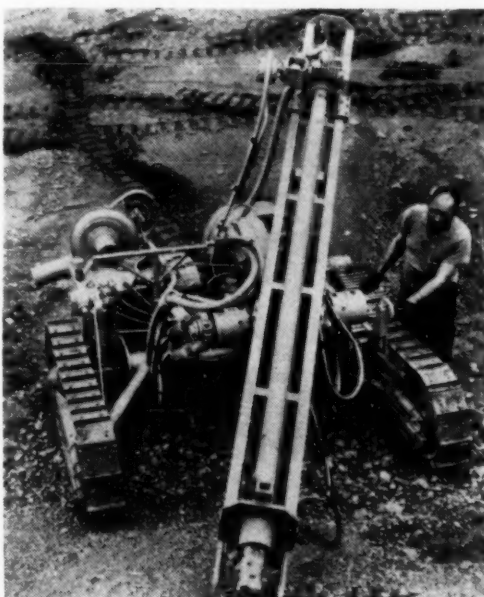
Tube Cut-Off Machine

Has Two Cutting Wheels

Roto-Tube-Shear cut-off machine has two slightly offset cutting wheels for fast cutting through the wall thickness of metal tubes. Wheels cut with a minimum of burr and permit proceeding to subsequent fabrications without de-burring. Machine cuts from a fraction of an inch to a 6-in. maximum length without tube collapse. Operation is on same principle as rotary shear, one wheel cutting from inside—other cutting from outside. Capacity is 4 1/2 to 8 5/8-in. OD tubing, from light wall to 1/4-in. wall thickness.

Price: \$5,800. Delivery: 4 to 6 weeks.

Continental Machine Co., 1952 N. Maud Ave., Chicago 14, Ill. (1/20/58)



Rock Drilling Machine

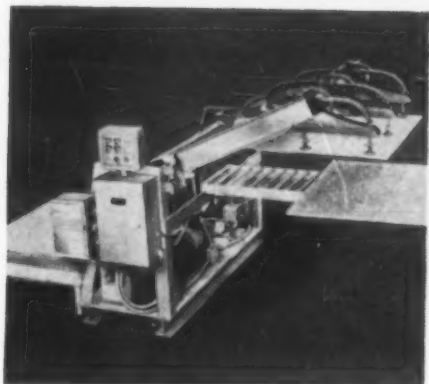
Drills at Compound Angle

Model 150 blast-hole drilling machine is capable of drilling holes up to 4 in. diameter in hard rock. The drill arm can swing either horizontally or vertically in arcs of 150 deg. The drill operates at a speed of about 60 rpm. with a continuous pneumatic hammering of the drill head. Standard gear reducer lowers speed from hydraulic motor mounted on the reducer's input shaft, acts as bearing support for the drill rod, and absorbs shock as drill cuts through rock.

Price: About \$15,000. Delivery: 30 to 45 days.

Reich Bros. Mfg. Co., Inc., Terre Haute, Ind. (1/20/58)

More New Products— (Continued from page 21)



Sheet Feeder

The sheet feeder is designed to handle materials such as cardboard, plastics, metal, asbestos board, etc. Sheets may be flat or formed (corrugated). They may be rectangular or irregularly shaped. Machine is used primarily to deliver sheets from piles to processing equipment (slitters, punch presses, forming machines, etc.) and also to remove sheets from conveyors or machine tables for stacking. Price: From \$5,000 to \$15,000. Delivery about 3 months. **The de Florez Co., Inc., Div. of Dexter Co., 116 E 30th St., New York, N. Y. (1/20/58)**

Automatic Pipe Tongs

Pine tongs handle steel and cast iron pipe. Pipe is released automatically by tongs when weight is slacked off. Tongs are available in standard pipe sizes from 4 to 36 in. Prices: S-4 (4-in. pipe) \$110. to S-36 (36-in. pipe) \$1,000. Delivery: immediate on stock sizes, others 4 weeks. **C. A. Mathey Machine Works, Inc., 212 So. Frankfort, Tulsa, Okla. (1/20/58)**

Paper-Making Fiber

HXV-20 fiber, a chemically modified cotton linter pulp, has been designed specifically for use in the manufacture of high-

strength fine papers. Grades include onion skin, bond writing papers, ledger, weddings, index paper, blueprint, and technical papers. Fiber has advantage of permanence of natural cotton. Price: \$350 a ton, carload lots, Hopewell, Va. Immediate delivery—**Hercules Powder Co., Virginia Cellulose Dept., Wilmington 99, Del. (1/20/58)**

Conduit Connectors

Liquid-tight conduit connectors with insulated throats protect conductors from abrasion at termination points in liquid-tight flexible conduit. Straights, 90-deg. and 45-deg. elbow designs are available. Prices: Straights from \$0.42 to \$22.65 ea; 90 and 45 deg. from \$0.70 to \$29.25 each. Delivery: immediate. **Thomas & Betts Co., 36 Butler St., Elizabeth, N. J. (1/20/58)**



Front-End Loader

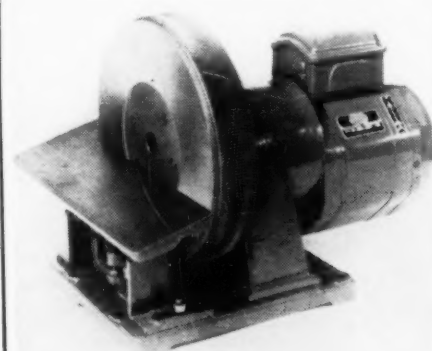
Moto-Loader, Model ML-153, is a 4-wheel drive unit with 1 3/4-yd. capacity. It is available with either gasoline or diesel power. It utilizes an Allison "Torqmatic," 3-speed, power-shifted, full-reversing transmission and integral torque converter with a 2.5 to 1 ratio. Top speed is 21.4 mph. Price: About \$15,000. Delivery: immediate. **Thew Shovel Co., Lorain, Ohio (1/20/58)**

Hydraulic Ram Bender

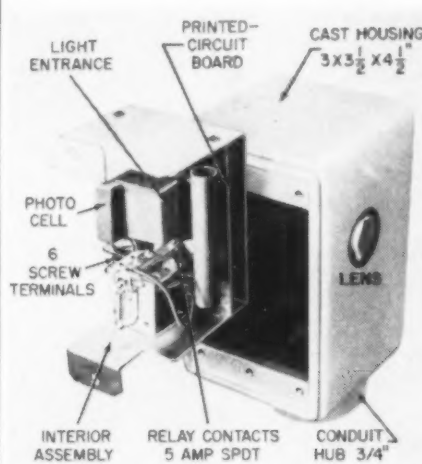
No. 420 hydraulic ram bender will bend 3/4 in. through 6-in. pipe, I-beams, channels, angles or similar structural shapes. Machine is portable. Floor space needed (no allowance for swing of beam) is 7 ft. 9 in. x 7 ft. 6 in. Net weight with standard dies is 9,700 lb. Price: 4-in. bender \$6,820, 6-in. bender \$9,200. Delivery: 8 weeks. **Wallace Supplies Mfg. Co., 1300 Diversey Parkway, Chicago 14, Ill. (1/13/58)**

Rotary Power Tool

R-Filemaster is a production tool designed for filing, shaping and milling of any material that can be worked with a file. Unit features motor-driven rotating



tool with curve-shaped teeth. Price: with stationary table, \$265.; with adjustable table, \$375. Delivery: immediate. **Hudson Automatic Machine & Tool Co., 137-139 38th St., Union City, N. J. (1/20/58)**



Circuit Photorelay

Printed-circuit photorelay uses a printed-circuit board that contains all the parts on one side, and the etched wiring on the reverse face. The result is rugged, compact assembly that is easy to wire up and to use. There is no amplifier tube, no warm-up delay, no internal heating. Operation is from 100-130 v. 50/60 cy., and control is from about 10 ft.-candles of light into the lens. Photorelay withstands weather, dirt, vibration, shock, temperature, humidity and voltage fluctuation. Price: \$50.00 (general purpose). Delivery: immediate. **Photobell Co., Inc., 43 Vesey St., New York 7, N. Y. (1/20/58)**

Multi-Color Spray Gun

Multi-color spray gun permits applying all patterns and types of fleck materials without adding extra parts to the gun. Gun allows for fast application while using a two-coat system. Unit has main-line air adjustment in place of spray width control, a fluid nozzle which permits any desired material metering, and an internal air nozzle designed for multiple application. Price: \$33.40. Delivery: immediate. **Sharpe Mfg. Co., 1224 Wall St., Los Angeles 15, Calif. (1/20/58)**



Data Processing Machine

Selectadata allows punched tape to complete entire accounting procedures, from creation of original document to selection of various components for subsequent analysis. Machine makes possible the automatic selection and sorting of data encoded in punched tape, eliminating need for conversion to punched cards within area of its coded capacity. Price: from \$905 to \$1,440. De-

livery: within 6 mos. **Friden, Inc., San Leandro, Calif. (1/20/58)**

Lift Truck System

Roll-N-Stor is a non-powered truck that features a hand-lift jack for use with any number of semi-live skid platforms. A pintle on the lift jack instantly engages a special bracket under the front of the skid. A forward pull of the jack handle raises the legs of the skid off the floor and the unit is ready to roll. When empty, the skids can be stored in a small area. Price: Depends on platform size, wheel size and type. Delivery: 2 weeks. **Hamilton Caster & Mfg. Co., 1550 Dixie Highway, Hamilton, Ohio. (1/20/58)**



Lighting Unit

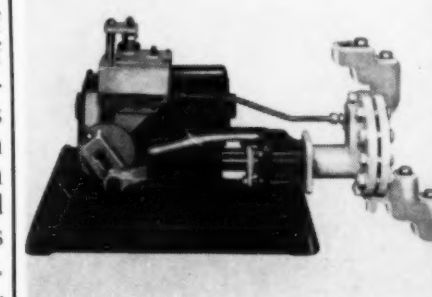
Trombolite rotates into any one of many different working positions. Its reflector design provides full use of both fluorescent and incandescent light sources—a pattern of light distribution that is said to be easy on the eyes. Prices: From \$19.95 to \$24.95. Delivery: immediate. **Amplex Corp., 111 Water St., Brooklyn 1, N. (1/20/58)**

Cold Cathode Trigger Tube

The Z803U has been designed with uncoated metal electrodes and sputtered envelope technique which provide stable close tolerance characteristics and long life. With Z803U it is possible to construct simple cold cathode tube timers with an accuracy as high as 2%. Price: \$9.30. Delivery: immediate. **International Electronics Corp., 81 Spring Street, New York 12, N. Y. (1/20/58)**

Diaphragm Pumps

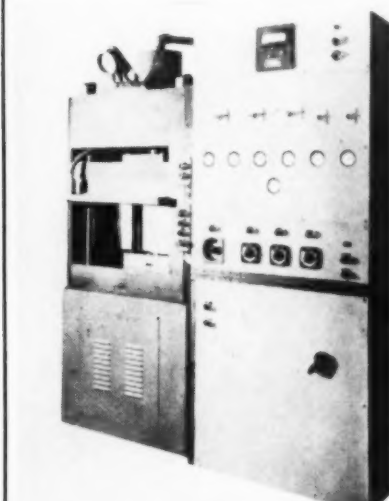
Diaphragm prevents leaks from chemical metering pumps. Controlled-volume pumps have Teflon diaphragms sealing the liquid ends from the plunger and housing. Accurate to within ±1%, they are positive-displacement metering pumps. The plunger displaces hydraulic fluid which in turn strokes the diaphragm to



impart pumping action through double ball checks. There is no mechanical connection between the diaphragm and the plunger. Price: from \$250 to \$2,500 depending on size, construction material and method of capacity adjustment. Delivery: 8 weeks for standard model. **Milton Roy Co., 1300 E. Mermaid Lane, Philadelphia 18, Pa. (1/20/58)**

Conveyor Tray

Assembly tray is molded in one piece from Fiberglass reinforced polyester resin. Smooth surfaces, rounded corners, and snag-proof edges eliminate handling hazards and prevent damage to the contents. When placed on portable racks the trays can be used for conveying parts to the assembly line. Price: \$12.50 fob. Watertown. Delivery: 60 to 90 days. **G. B. Lewis Co., Watertown, Wis. (1/20/58)**



Sheet-Forming Machine

Pressure-Vac machine, in addition to forming plastic sheets by the usual vacuum method, can apply up to 17 atm. positive pressure in forming. This, in combination with the machine's direct-contact heating system, makes it possible to form oriented polystyrene and polyester, rigid PVC, nylons and other materials ordinarily difficult to form. Price: \$15,000 fob. Bridgeport. Delivery: 8 to 10 weeks. **Auto-Vac Co., 1984 State St. Ext., Bridgeport, Conn. (1/20/58)**

Engine Analyzer

Internal combustion engine pressures, vibration, and ignition voltage can be measured directly with SLM Engine Indicator-Analyzer, Series EA-114. Combined unit utilizes electrostatic principle to make precision dynamic measurements. Base price for minimum equipment \$1,400. Delivery: 1 mo. **Kistler Instrument Corp., North Tonawanda, N. Y. (1/20/58)**

Filing Cabinet

Odd sized forms in office accounting and duplicator operations can be filed in Challenge filing cabinet. Inside dimensions of ball-bearing drawers are 22 1/2 x 11 1/2 in. Cabinets are 29 in. high and have a detachable top and base. Price: \$150.75; additional filing sections—\$132.25 fob. Grand Haven, Mich. Delivery: immediate. **Challenge Machinery Co., Grand Haven, Mich. (1/20/58)**

WHERE-TO-BUY

National purchasing section for new equipment, services, and merchandise. PUBLISHED: Monday. CLOSING DATE: Monday, 14 days prior to issue date. SPACE UNITS: 1-6 inches. RATES: \$17.15 per advertising inch, per insertion. Contract rates on request. Subject to agency commission and 2% cash discount.

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PAINT STRAINERS

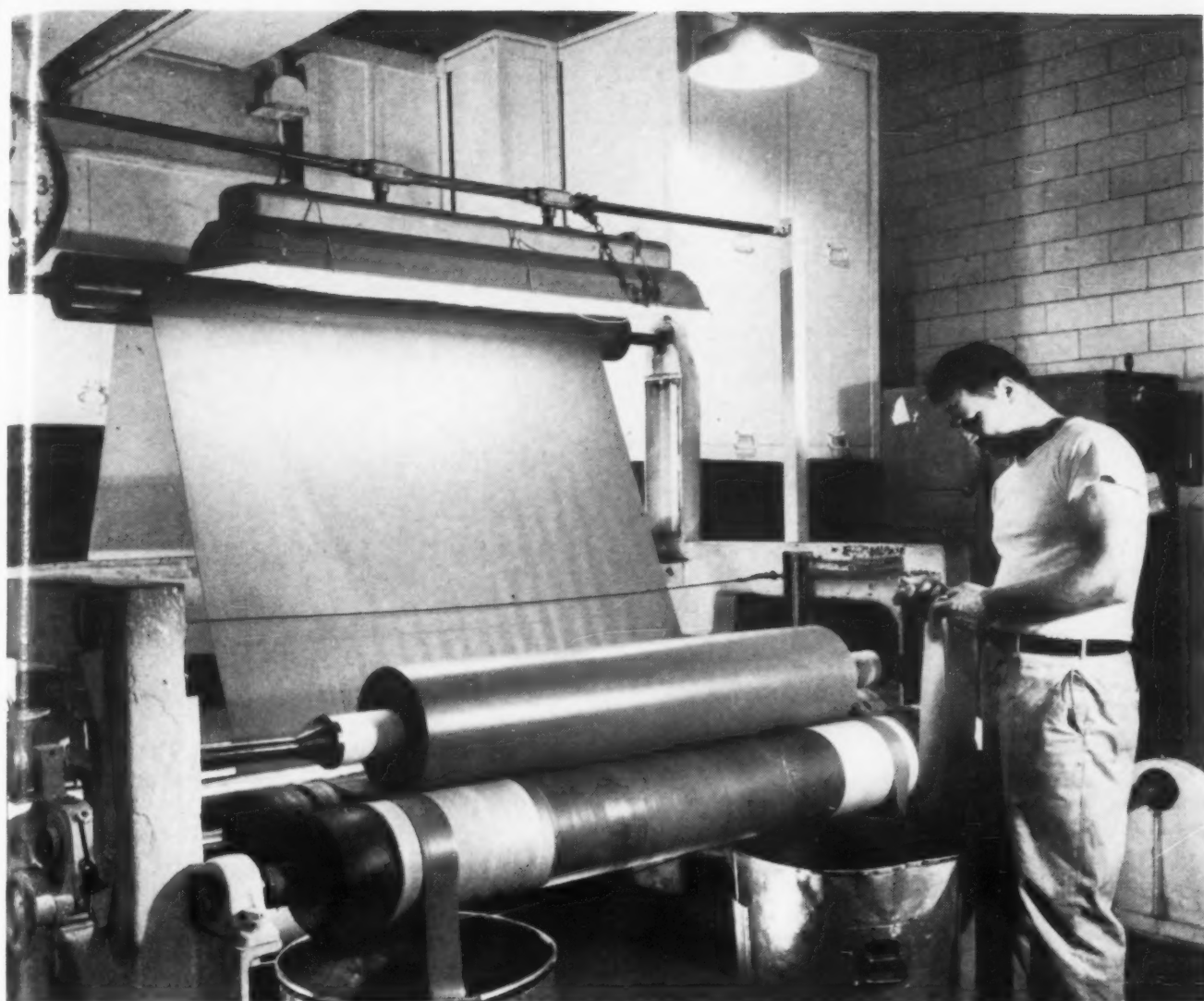
For STRAINING LACQUERS, ENAMELS, PAINTS or VARNISHES. Made of heavy paper stock with cloth inserts in various meshes, 6" in diameter. **LOUIS M. GERSON CO.** Box 175-E CU 6-1463 MATTAPAN, MASS.

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VINYL pours out of machine at Bakelite Co. plant (left). Molds (right), made with phenolic, shape molten metal.

Plastics May Be Profitable To P.A.'s in '58

New York—Purchasing executives looking for bargains in plastics and plastics fabrication may find 1958 a profitable year.

Plastics output for 1957 reached 4.4-billion lb. with a dollar value of \$2.1-billion. While raw materials production grew about 7%, sales of molders and extruders failed to keep pace, reports the Society of the Plastics Industry in its year-end survey. Keen competition was partly responsible.

Some Cut Prices—Some Don't

Some comments gleaned from the survey give you an idea of what 1958 will be like:

A tool maker says, "A lot of price cutting and many buyers are taking advantage of it."

An injection molder, "Custom molding can be had—if we meet competition—to do so would mean to break even—in most cases lose money. By staying away from business of that type we are not as busy as we could be, but we are making money on the jobs we do have."

A mold maker, "We must get better prices for our molds." Our vendors have raised their prices and we have paid increased wages. Our prices for molds have been too low for a profit."

Tightening Credit

A custom molder, "Today's competitive price structure in custom injection is as low or poorer as it has been in the 20 years we have been in the field."

On the other hand, another custom molder notes "some signs of tightening credit—but all in all we do not think things are too bad. Prospects look pretty good for 1958."

One custom molder ties sales to defense, "Due to change of government defense thinking, plastics sales will hold and improve during 1958."

This year, the cost-profit squeeze on plastics will probably

continue. Some parts of the industry, particularly those in the early growth stages, should see a large increase in volume. But the increase is not likely to offset declines elsewhere in the industry, at least during the early months of this year.

Defense Spending Could Help

A rise in defense spending plus easier money rates could trigger a new upturn for the industry. This year's plastics output should rise about 1 or 2%, based on the overall business outlook and on the industry's expansion plans.

The S.P.I.'s survey of expansion plans shows that only 50% of the companies replying plan to expand this year. Biggest expanders include the epoxy resin producers, makers of plastic bottles, housewares, pipe, toys, reinforced plastics, cellular plastics, specialized machinery producers, and sheet formers.

Competition

Here's the outlook, based on other sources, for some of the big-volume plastics:

- **Polyethylene**—It's still the second largest-volume plastic in the U.S. and it's likely to remain so. Two factors enter the material's growth picture:

- **Exports.** They are currently running about 30% of production. Shortly, plants built or planned abroad should begin cutting into this figure. And it's possible that foreign polyethylene may eventually reach the U.S. at a lower price.

- **Polypropylene.** This brand-new material (PW, Jan 6, p. 24) is expected to provide strong competition for polyethylene. Hercules Powder Co. already has a plant on stream. And Montecatini of Italy will export the resin to the U.S.—albeit in development quantities. There are at least five more U.S. companies looking seriously, too.

Polypropylene's biggest handi-

cap at this point is its price. Hercules initial price is 65¢ a lb., while low-pressure polyethylene sells for 47¢ and high-pressure material for 35¢. So the price will have to come down. This is likely; propylene, from which polypropylene is made, is one of the cheapest plastics raw materials.

Tailor Made Plastics

The plastics industry regards the advent of polypropylene with something like awe. The techniques used in making the material open the way for what amounts to tailor-made plastics. In other words the producers hope to start with a list of specifications and then make plastic to fit specifications.

While both exports and polypropylene complicate polyethylene's outlook, the immediate problem of the producers is to expand markets in the face of expanding capacity. One thing you can look for in 1958 is lower prices and a "hard sell."

Research Important

- **Vinyl**—More vinyl resins than others were turned out last year. How fast vinyl moves from last year's high depends largely on what the researchers are doing.

- For one thing, they are looking for a way to make vinyl that uses less plasticizer. (Plasticizers are added to vinyl resins to make them more flexible and workable. But the plasticizer has a tendency to dry out leaving the vinyl brittle. A new kind of production method will probably have to be developed.

- A better injection molding compound is needed. A breakthrough here could add millions of pounds to vinyl's annual output.

- Nylon, several new types of nylon were made available last year. Two permit large pieces to be molded, but their producers have only limited quantities avail-

able. Another nylon permits close-tolerance molding. Other new nylons include a weather-resistant type and a white material.

Nylon finds its way into a number of applications. For instance: business machines, home appliances, automobiles, hardware, sporting goods, electrical wire insulation, and tubing use nylon in one form or another.

The material's price cut last fall is likely to push new applications. DuPont, has 30 different kinds of nylons, offers them in a price range of \$1.18 to \$2.18/lb.

Nothing Radical Expected

Phenolics, here the future is pretty much tied to what happens in the rest of U.S. industry. No radically new applications are anticipated. So producer's efforts are largely aimed at holding the markets they do have. Biggest growth potential lies in the shell-molding market.

Watch prices. Nearly all plastics are trending toward lower prices. But phenolics last year ran counter to the trend—prices went up 1½¢ from 20¢ a lb.

Polystyrene—The styrenes break down roughly into two different types: high-impact and general purpose. The first sells for 32¢ a lb., while the latter is tagged at 25¢.

Styrenes Continue Growth

Impact styrenes continue to grow in volume, but the general-purpose variety has barely moved. Still, as long as it is priced at 25¢, economics alone will push a search for new markets.

Reinforced plastics—Biggest outlet for reinforced plastics was the transportation industry according to the reinforced plastics division of the S.P.I. About half of the transportation requirement was for pre-mix and molding materials—a category that outpaced reinforced plastics as a whole in percentage growth.

Four consuming industries—aircraft and missiles, boats, construction, consumer products

took 25.2-million lb. Another 5-million lb. went to the appliance industry and the same amount to makers of containers and trays, and to electrical equipment manufacturers. Pipe, tanks, and ducts took 3.4-million lb. Miscellaneous applications ended the year at 15-million lb.

Industrial buyers took 40% of total sales of reinforced plastic panels last year. This year sales to industrial buyers will likely hit 50%.

East Germans Plan 25% Industrial Expansion

Berlin—The East German Parliament has approved an economic plan calling for a 25% increase in industrial production in the next three years.

East Germany already describes itself as the fifth industrial power in Europe, excluding the Soviet Union. It is considered to be the second in the Communist bloc.

Industrial production in 1960 aimed to hit a volume of more than 63 billion East marks. Since the East Germans' valuation of their currency is equivalent to West Germany's money, this would amount to \$15 billion. At the free-market rate, it would be about \$3,750,000,000.

Interstate to Purchase Lancaster Co. Stock

Philadelphia—Directors of Interstate Motor Freight System, Grand Rapids, Mich., have authorized the purchase of all the outstanding stock of Lancaster Transportation Co., Lancaster, Pa.

Details of the transaction have not been released, pending formal application for approval of Interstate Commerce Commission.

Interstate will operate Lancaster as a separate division. Lancaster operates 350 tractor-trailers in Pennsylvania, New Jersey, Delaware, and Maryland.

Standard fasteners are discussed in detail in Purchasing Agents Guide No. 105, 40-page catalog, **Abbott Screw & Bolt Co., 1728 W Walnut St., Chicago 12, Ill.**

Drilling and tapping machine users will be interested in full line of accessories described in Bulletin AC, **Edlund Machinery Co., 100 Huntington St., Cortland, N. Y.**

"Condensed Reference File," shows epoxies used in metal-forming tools where close tolerances are vital, in finishes and adhesives, and in encapsulating electrical parts—**Bakelite Co., Div. of Union Carbide Corp., 30 East 42nd St., New York 17, N. Y.**

Metal framing structures are discussed and explained in Catalog No. 700, **Unistrut Products Co., 933 Washington Blvd., Chicago 7, Ill.**

"Be Wise—Palletize," is a 16-mm. sound movie made available for wood flooring mills and also lumber mills—Showings of film, **Signode Steel Strapping Co., 2600 N. Western Ave., Film Dept., Chicago 47, Ill.**

Magnesium and aluminum alloys, with their physical properties and conforming specifications listed, are the highlights in Catalog No. 57, **Wellman Bronze & Aluminum Co., 12800 Shaker Blvd., Cleveland 20, Ohio.**

Filter cloth catalog No. 10 gives complete technical data on all types of filter fabrics. Nylon, dacron, vincel, orlon, dynel, teflon, saran, cotton, glass, polyethylene, and special filter papers are covered in 8 pages, **National Fil-**

ter Media Corp., 1717 Dixwell Ave., New Haven, Conn.

"Portrait in Plastics," is the title of a 16-mm. movie in sound and color with a running time of 24 minutes. Prints of the movie are available on a loan basis, **Eastman Chemical Products, Inc., Kingsport, Tenn.**

Analyzer for trace gases in metals is described in a 16-page, fully illustrated Bulletin FS-270, **Fisher Scientific Co., 389 Fisher Bldg., Pittsburgh 19, Pa.**

Recordak engineering drawing program is fully described and illustrated in 8-page bulletin RI-22. The comprehensive system for microfilming, filing, and safeguarding engineering drawings is covered for the large company as well as the small business, **Recordak Corp., 415 Madison Ave., New York 17, N. Y.**

Metal hose and tubing for industrial equipment and maintenance applications is discussed in 64-page catalog G-560. Catalog simplifies selection and ordering, **American Brass Co., American Metal Hose Division, 666 S. Main St., Waterbury 20, Conn.**

Mill products and alloys are covered in 12-page technical brochure. Shapes and sizes as well as product applications and alloy characteristics are given special attention, **Harvey Aluminum, 19200 S. Western Ave., Torrance, Calif.**

Typical lumber designs are listed and illustrated in the 1958 booklet, **Timber Engineering Co., 1319 Eighteenth St., N. W. Washington 6, D. C.**

Engineering manual on four series of dry-type distribution transformers (Bulletin 137), **R. E. Uptegraff Manufacturing Co., Scottsdale, Pa.**

Airfoil centrifugal fans are featured in Catalog 1121, **Westinghouse Electric Corp., Sturtevant Division, Dept. T-406, 200 Readville St., Hyde Park, Boston 36, Mass.**

"Guide to Representative Wire, Cable and Conduit Manufactured by Rome Cable," a 6-page bulletin which describes the general characteristics of, and uses for, most of the firm's products. Bulletin RCP-100, **Rome Cable Corp., Rome, N. Y.**

Caterpillar engines and their features are discussed in an 8-page, two-color brochure, **Caterpillar Tractor Co., Peoria, Ill.**

Cone-drive gearing is described in a 24-page booklet, **Cone-Drive Gears, Div. Michigan Tool Co., 7171 E. McNichols Rd., Detroit 12, Mich.**

High-frequency induction heaters and induction melting furnaces are described in Bulletin 12B-6430B, **Allis-Chalmers Manufacturing Co., Milwaukee 1, Wisc.**

Belleville springs and their various end uses are shown in a 16-page technical brochure, **Union Spring and Manufacturing Co., New Kensington, Pa.**

"1958 Guide to Improved Packaging," is the title of an 8-page booklet describing low-cost packaging with plastics, **Bakelite Co., Division of Union Carbide Corp., 30 East 42nd St., New York 17, N. Y.**

Products for power transmission, conveying and elevating service are described in Catalog 610, **Chain Belt Co., P. O. Box 2022, Milwaukee 1, Wisc.**

"Etching of Printed Circuits with Ammonium Persulfate," is the title of Bulletin No. 90, **Becco Chemical Division, Food Machinery and Chemical Corp., Station B, Buffalo 7, N. Y.**

"Metal Grating Handbook," contains 32-pages of informative text, schematic drawings, tables, and actual installation photographs as well as complete standards and specifications. Priced at \$1, 8½x11 in., two-color handbook, **Metal Grating Institute, Inc., One Gateway Center, Pittsburgh 22, Pa.**

Audio-visual projection is the subject discussed in the 20-page, illustrated pamphlet No. S-3. Especially designed for the person who utilizes audio-visual equipment professionally, the book has many helpful suggestions to anyone who puts on slide or film presentations, **Sales Service Publications, Eastman Kodak Co., Rochester 4, N. Y.**

Fastener types and their driving cycles are explained in a 16-page, 8½x11 in., illustrated two-color catalog (Form 8-411), **Huck Manufacturing Co., 2480 Bellevue Ave., Detroit 7, Mich.**

Color-matching of plastics to other materials is explained in 20-page booklet. How research and experimentation have broadened the field of application for colored plastics is described, **Eastman Chemical Products, Inc., Kingsport, Tenn.**

Dalic plating booklet called "Practical Brush Plating with the Dalic Process" explains the process and analyzes the metallurgical properties of the deposits. Included are 8 pages of time-saving engineering applications, **Marlane Development Co., 153 E. 26th St., New York 10, N. Y.**

Medium capacity steam turbine-generators are covered in 54-page bulletin GEA-3277D containing engineering data on various types. Nomographs provide calculating assistance, **General Electric Co., Schenectady, N. Y.**

An all-purpose general framing material, is pictured and described in an 8-page catalog, **FlexAngle Corp., 278 Park Road, West Hartford 7, Conn.**

Aluminum for tanks and vessels is the subject discussed in a technical booklet, **Reynolds Metals Co., 2500 South Third St., Louisville, Ky.**

Adhesion of polyethylene to metals highlights the current issue of Plastics Welder and Fabricator, external house organ, **American Agile Corp., P. O. Box 168, Bedford, Ohio.**

Industrial fasteners are discussed and valuable engineering data on company's full line is provided in an 8-page catalog, **Simmons Fastener Corp., North Broadway, Albany 1, N. Y.**

Arc welding equipment, electrodes and accessories are explained and illustrated in a 24-page brochure, **Hobart Brothers Co., Box EW-204, Troy, Ohio.**

Electrical properties and typical applications for Silastic silicone elastomer are described in a 4-page brochure, **Dow Corning Corp., Midland, Michigan.**

Aluminized asbestos safety clothing is described in a 4-page illustrated bulletin. Copy of Bulletin No. 1301-7, **Mine Safety Appliances Co., 201 N. Braddock Ave., Pittsburgh 8, Pa.**

Staplers, tackers, and staples and their wide variety of uses are discussed in a 28-page booklet, **Fastener Corp., Franklin Park, Ill.**

Drills, reamers, end-mills are discussed in a 32-page booklet, **Greenfield Tap and Die Co., Greenfield, Mass.**

Relays, steppers, solenoids, rectifiers and other electronic components are shown in a 32-page catalog, **Universal Relay Corp., 42 White St., New York 13, N. Y.**

Electric motor control selection is made easy with illustrated 54-page booklet. Catalog 5800 contains design data, up-to-date prices, stocking information etc., **Furnas Electric Co., 1134 McKee St., Batavia, Ill.**

Handling chemicals and solvents, explosives, poisons, fuel and other dangerous or aggressive fluids are discussed in a 16-page brochure, **Johns-Manville, 22 East 40th St., New York 16, N. Y.**

Clamp-type air cylinders, heavy-duty cylinders, valves, and other type fluid power products are discussed in an illustrated general catalog, **Modernair Corp., 400 Preda St., San Leandro, Calif.**

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Anaconda Electro-Sheet copper foil is the topic in publication D-8, the 8-page illustrated brochure, **The American Brass Co., Ansonia Division, 75 Liberty St., Ansonia, Conn.**

Air compressor lubricant is described in spiral-bound 16-page booklet. Savings in air compressor maintenance costs and greater safety from flash fires with use of Pydraul ac. is discussed, **Chemical Co., 1700 S. Second St., St. Louis 4, Mo.**

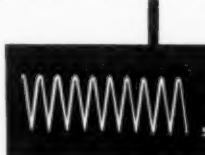
Wiring devices are covered in 80-page catalog (No. 60). Two "editions" are available—one 8½x11, the other a handy pocket size. Catalog includes photos and descriptions of wiring devices for every purpose, from lamp holders to switches; also graphical symbols. **Pass & Seymour, 100 Boyd Ave., Syracuse 9, N. Y.**

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SALESMEN ANXIOUSLY WAIT their turn as clock on wall shows afternoon waning. The seat vacated by one vendor was filled moments later by another caller. This busy office capsules trend to a buyer's market.

'Hard Selling' Gives P.A. Enough Concessions to Make Life Interesting

(Continued from page one)
 apolis-Honeywell Regulator Co. in Los Angeles told a PW reporter. "Some of these salesmen just hit the door because there happens to be a building there. Of the salesmen we deal with, they don't give any price concessions unless we squeeze it out of them."

In St. Louis and other cities the situation was similar. "The number of sales calls has increased 30% in the last six months," a St. Louis electrical products firm said.

Another St. Louis P.A., with a chemical company, is overjoyed by the sales activity because "it means we are exposed to better buying opportunities." He said he instructs his buyers "to see every salesman, if only to say no."

Many purchasing directors noted that suppliers offer more new products and salesmen propose better ways to utilize old ones.

In Cincinnati, the stronger competition impressed John G. Krieg, purchasing director for the city.

"They (salesmen) are bidding much closer," he said. "We've had instances of price declines, some of them due to the quantity we buy, but there are more salesmen coming in, checking back and scratching around to see who got that order they didn't get and trying to find out why."

The stepped-up selling pressure has brought striking instances of price concessions—despite the general response among purchasing agents that the business slowdown has failed to produce a general price cutback. There have been numerous instances of outright price-cutting, particularly on motors, nuts and bolts, machine tools, lumber, and some electronic equipment.

In other instances the cutbacks have been disguised as quantity discounts applied to smaller lots, freight absorption (particularly on steel), and in general the offer of improved engineering services for which formerly the buyer had to pay.

Here is a city-by-city response of industrial buyers to PURCHASING WEEK inquiries:

Atlanta: Competition is "fierce," salesmen who used to

telephone occasionally now call in person twice a week, but list prices are standing firm and concessions are made only where they justify "getting the business."

Chicago: Salesmen come calling more often, but price concessions are few and far between. Notable exceptions include discounts of as high as 25% on motors, 10% on aluminum scrap, and 10-15% on drills.

Cincinnati: Decided increase in good, hard selling; some tendency to price concessions. One maintenance materials firm quoting prices 25% below the market. Ice equipment was priced lower in November than in July, and an architect's estimate for a hospital addition topped the highest actual bid by \$31,000.

Cleveland: Tools and special parts 10% lower, some fuel and lumber reductions, but otherwise list prices holding firm.

Dallas: Some concessions but no trend. Extended pay periods offered, plus freight absorption.

Detroit: Prices, except for copper and brass products, holding firm. Any finagling done is by smaller firms. Exceptions include machine tools and nuts and bolts where 5% discounts are reported.

Akron: No special price concessions reported but some reduction on extra service charges. Longer billing time also offered, and small orders definitely welcome.

Los Angeles: One manufacturer reported discounts of 18% on tooling and 10-20 on standard items. Another told of deals giving 10-15% off on electronic equipment.

St. Louis: No general price cutting reported, but some reductions on motors for major appliances. More sales calls and offers of better service on purchased equipment were highlights here.

San Francisco: Salesmen "sharpening pencils on competitive bids," but no general price cutting reported.

Seattle: Several P.A.'s report instances of price concessions with emphasis on absorbing freight charges, spreading delivery time.

Saginaw, Mich.: Little price cutting reported except among less reputable companies anxious to make a quick deal.

This Week's Purchasing Perspective

JAN. 20-26

(Continued from page one)
 are being made on all sides, either in flat reductions or by devious methods. Perhaps more are in the cards, but until the picture clears, good buys pop up every day in other forms.

Beyond price and freight differentials, main inducements being offered are in new products, better promotional programs, better and more engineering services, and maintenance. All mean money saved.

One midwest P.A. described his recent experiences this way: "The salesmen today seem more interested in your factory. They offer more engineering services to make a deal. Formerly they 'talked' about those services. Today you really get them."

A buyer's market provides one of the top opportunities for a purchasing agent to do a good job . . . demonstrate to management that he, like sales, is just as husky a strong right arm.

One of the rising young executives in the steel industry trumpeted that philosophy one night recently. Speaking in Cleveland, Allison Maxwell, President of Pittsburgh Steel Co., warned other key management that underestimating the purchasing function is one sure road to business oblivion.

Maxwell stressed the importance of proper communications between buyer and seller. Each must know the plans and capabilities of the other. Better buyer-seller communication, he said, is one way to overcome the inventory mystery . . . provided of course, management has taken the proper step in keeping its P.A. fully apprised of its planning in the first place.

Looking ahead—more and more expressions of confidence, if only guarded optimism, are popping forth these days. Last year's late gloom is thinning.

The McGraw-Hill department of economics points out there's good reason for arguing that the very speed and violence of the business decline helped set up the basis for an early turnaround. Inventory liquidation may even now be overdone—especially in areas such as steel, copper and other metals, various semi-finished metal products, components, and even textiles and apparel. Any stock rebuilding move could produce a flurry of orders.

FRB Cuts Stock Margin Needs from 70 to 50%

Washington—Margin requirements for stock transactions have been cut from 70 to 50% by the Federal Reserve Board. The cut will add liquidity to the market and should thus bolster stock prices and indirectly encourage business to raise new money and invest in new plant and equipment.

In making the change, the board noted that the volume of stock market credit no longer is excessive. Therefore, it considered it safe to ease margin requirements.

Need Help, Major Railroads Tell Congress, Ask Shipping Tax Repeal

(Continued from page one)
 June 30, 1957, amounted to \$468 million for the freight tax, Loomis told the subcommittee. He said repeal of the 3% excise tax would not deduct that amount from the government revenues, however, because much of the money is deductible as business expense.

Other proposals made to the Senate unit by Loomis and a number of railroad presidents included:

- Removal of "special restrictions" against railroads entering other forms of transportation.

- Increased freedom in competitive rate-making between different types of transportation "so each mode will find its proper economic place in the over-all transportation picture."

- Strict regulation of pseudo-private carriage which is actually for-hire transportation.

- Limitation of the agricultural commodities exemption under which certain farm and other food products can be transported without regulation by the interstate commerce commission.

- Establishment of a "construction reserve fund" on the books of railroad companies which would allow them to deduct money deposited in the fund when computing federal income taxes. The money would be used for acquisition of property and equipment and would be taxable if not used after five years.

Railroad presidents who testified before the subcommittee, headed by Sen. George Smathers (D-Fla.), also hit at the 3% freight tax in their recommendations for revising government transportation policies.

Wartime Tax Still in Use

Robert S. MacFarlane, president of the Northern Pacific Railway, said the extra freight charge was imposed as a wartime tax and now is "discriminatory and injurious to shippers, the public, and the railroad industry."

"As an example," he said, "a western shipper pays a tax of \$24.21 on a carload of lumber being shipped to Chicago, \$24.36 on a carload of wood pulp, and \$21.30 on a carload of apples. Canadian shippers, in many cases direct competitors, pay no tax."

James M. Symes, president of Pennsylvania Railroad, asked the subcommittee for legislation requiring the ICC to allow the railroads full cost, plus a reasonable profit, when establishing rates.

25 Scheduled to Testify

Twenty-five spokesmen for rail companies were scheduled to testify before the subcommittee, which later will hear from representatives of railroad labor, economists, and regulatory bodies.

The railroad hearings before the Smathers subcommittee represented the first broad look given the rail situation by congress in seven years. It came at the urging of members of congress who have been alarmed at reports of the railroads' growing economic troubles, and at the request of the rails themselves.

Looking For New Solutions

Questioning by subcommittee members during the initial testimony indicated the senators are hunting for new, even drastic solutions to the railroad plight rather than be faced with continued rate increases.

The railroads have given no sign, however, that they intend to abandon their efforts for higher rates. Instead, they pointed out that rate boosts are usually "too little and too late."

Although Smathers is limiting the current hearings to railroads, other transportation groups—trucks, airlines, and water carriers—are actively planning to try to rebut the rail arguments when given the opportunity. These groups, particularly the truckers, are threatening to fight almost any legislation which they feel will give the railroads an advantage over other forms of transportation in the existent competitive market.



PLANNING TACTICS held by New England purchasing agents association are William C. Kendrick, left, H. P. Hood & Sons, Inc.; Eliot P. Emerson, association secretary; Major George J. Cronin, former P.A. for the Commonwealth of Massachusetts; and Louis A. Little, purchasing agent for Simonds Saw & Steel Co.

Ethics Forum Provides Answers For New England P.A.A. Members

(Continued from page one)
to do a better job in the future. After a lively debate on whether it was ethical to solicit bids from suppliers when it is known in advance they will not be awarded the business, the majority agreed that it was.

With regard to salesmen, the P.A.'s felt that doors should be open to them, but from a practical standpoint, at scheduled times. Salesmen should be advised how frequently to call, and if they may expect future business. Salesmen's calls should have a time limit, and appointments should take preference over those who just drop in. Private interviews are more advantageous to both the P.A. and the salesman. It is hardly fair to ask a salesman to speak his piece in an open waiting room, possibly in the presence of another salesman.

If a supplier suggests a new

method or design, or better equipment, he should be given the advantage, even if it is only for the upcoming or original order.

Most of the P.A.'s felt that disclosing a supply competitor's price during negotiations is not ethical practice and can put the P.A. in a dangerous situation.

The ethics of requesting or accepting a special discount for goods purchased by the P.A. for himself from his company's supplier were approved. And forum consensus was that special discounts for company personnel arranged through the purchasing department were general practice and considered all right. It was unanimous that the policy of no gifts whatsoever is the safest policy and is up to the P.A. to start the no-gift idea himself.

The practice of reciprocity—companies placing business with firms that do business with them—was felt to be unfair.

Frank K. Griesinger, Lincoln Electric Co., Cleveland, speaker at the dinner meeting following the forum, pointed out there is very little use made of what corresponds to consumer credit and business credit.

"There is nothing wrong with buying on time or leasing goods if this is the most economical way," Griesinger said. However, he warned, "you have to be very careful of the capital structure of your company."

Any plan that postpones payment is a hedge against inflation, he concluded.

Graver Water Becomes Part of Union Car Co.

Chicago—Union Tank Car Co. has announced that Graver Water Conditioning Co. has become a completely integrated and wholly owned division.

Graver Water Conditioning Co., with headquarters in New York City, was formerly a division of Graver Tank & Mfg. Co., whose assets were recently acquired by Union Tank Car Co.

There will be no basic change in policy or method of operation of the new division, which will be known as Graver Water Conditioning Co., division of Union Tank Car Co.

McGill, V.P. Of Purchasing, Made Senior V.P. By New Haven R.R.

New York—C. Harry McGill of North Haven, Conn. has been elected senior vice president of the New Haven Railroad. McGill started with the road as a water boy, worked his way up in the purchasing and stores department to become vice-president, and was made chief of operations a year ago.

A native of Stamford, Conn., McGill started railroading with the New Haven in 1910. He moved into the stores department in 1916, became general storekeeper in 1944, and manager and then vice president of purchasing and stores in 1949. McGill will continue to be headquarters at New Haven in his present capacity.

"In railroading, the purchasing department is the one place where you can really learn the business," says McGill. For 14 years he was a traveling storekeeper on the railroad. His supply train was required to cover every point on the system once every two months giving him a first-hand knowledge of the line.

Purchasing on a railroad now has two problems not common to many other companies according to McGill. He states, "railroads are subject to regulation by the Interstate Commerce Commission, and the government rules must be closely followed. Secondly, the customer relations with on-line shippers must be considered."

The problem of inventory control has not been fully met on railroads, McGill believes, but he looks for a solution within a few years because of the strides



C. HARRY MCGILL

made in the use of electronic business machines.

He has also noted a change in the past decade which has been of immeasurable aid. "Because of the expansion of supplies' research and testing departments, we have been getting a much better quality at less expense. Research and product testing have enabled us to eliminate the big inspection departments we used to have."

When asked about his hobbies, McGill stated that he still works as he did on the supply train: 24-hours, seven days a week. "Railroading is my hobby, too," says McGill.

And so is purchasing. "Many years ago," says McGill, "an oldtimer told me that the two most important functions on a railroad were treasury and purchasing because they control the income and the outgo. I believe he was right."

N.Y. Central Pennsylvania Merger May Cut Freight Rates To Shippers

(Continued from page one)
would eliminate duplicate facilities and utilize others to greater advantage. He says it also would be a money-saver.

Both Symes and Perlman point to the great decline in rail transportation volume since World War II as a motivating factor in prompting a merger study.

"We have dropped off consistently," explained Symes, "from about 92% of the total intercity freight down to less than 50. My guess is this year it will be between 46 and 47%."

"The rest is now divided between the highways, waterways and pipelines—and, for passengers, of course, with the airlines and automobiles."

Perlman said a merger could possibly strengthen the P.R.R. and N.Y.C. competitive position by enabling the railroads to "lower freight rates and speed up service throughout the country."

The fate of the nation's railroads, periled by continually rising rates and steadily dropping volume, is now under study in Congress. (see story on pg. 1)

Symes said the change in the country's transportation requirements has led to merger discussions by many other railroads.

"I think it makes sense," he said, "that, instead of attempting to fit present conditions into a transportation policy, made the transportation policy fit the con-

ditions with which we are confronted. Mergers are one answer.

"One of the chief purposes of studies we now have under way is to determine to what extent the proposed merger would result in lower costs and improved service."

"Cost of service is reflected in freight rates, and, as this cost is reduced it would eventually cause lower rates than otherwise required."

Many observers both inside and outside the industry doubt that the merger will ever be realized. It is the size of the united company that prompts belief official sanction will never come.

Neither Perlman nor Symes could estimate when the merger study will be completed or if and when it would ever be approved. But whether or not a complete merger of the Central and Pennsy does take place, these benefits to the P.A. can still be realized:

Greater or less co-ordination of services, elimination of duplicate facilities, and co-operation rather than strife in the solicitation of business.

Fairmount Opens Office

Fairmont, W. Va.—Fairmont Aluminum Co., producer of aluminum sheet, coil and circles, has opened a Pittsburgh, Pa., district sales office. Virgil P. Poe heads the new office.

Three Firms Marketing New Chassis Grease

New York—Cities Service Oil Co., Socony Mobil Oil Co., and Standard Oil Co. of Kentucky are now marketing molybdenum disulfide chassis grease. The automotive lubricant reduces wear under conditions of mechanical motion and extreme pressure.

Socony Mobil's product, molygrease special, a premium lithium grease with molybdenum added, is being sold to bus companies, trucking firms, contractors, and other commercial vehicle operators.

Cities Service and Standard of Kentucky sell their products through sales branches to commercial fleets. Cities Service calls its new grease Trojan HM, while Standard distributes it under the name Standard Moly MP lubricant. Both are lithium base lubricants.

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Teamsters Keep 'Hot Cargo' Clause, Will Await Court Ruling on I.C.C. Bar

(Continued from page one)

are forbidden to handle shipments of companies involved in a labor dispute with the union.

The National Labor Relations Board and the Interstate Commerce Commission, however, have ruled against the clause. Shippers have taken no active part in pushing the case.

The U.S. Supreme Court will have before it all the ingredients it needs to clear up once and for all the controversial subject of hot cargo clauses under the Taft-Hartley Act.

Three cases are pending: Carpenters V. NLRB, (the so-called "Sand Door" case); NLRB V. Milk Drivers Union; and NLRB V. General Drivers Union. Arguments on these cases are expected to be held in the court this March, with a decision not likely until late in the court's term.

In the three cases, NLRB won in the lower courts in only the "Sand Door" case. However, this case does not involve truckers and the Teamsters Union so both the policy switch announced by the NLRB last November in the "Genuine Parts" case—that hot cargo clauses signed with common carriers are illegal from their inception—and the recent ICC ruling against common carriers signing such clauses are not involved in this case.

NLRB's new stand, however, will be reflected in the arguments on the Milk Drivers and General Drivers cases, because common carriers are involved in those cases. The board holding technically at issue in these cases is: hot cargo clauses may be signed and followed, but a union commits a violation of the secondary boycott ban if it induces or encourages employees to refuse to handle "unfair" goods under such a clause.

The San Francisco court of appeals upheld this approach in the "Sand Door" case. Both the New York Court of Appeals and the Court of Appeals for the District of Columbia, however, upset the same NLRB stand in the Milk Drivers and General Drivers cases where common carriers are involved.

The lower courts in these latter two cases both held, in effect, that hot cargo clauses are legal and Teamster Union instructions to carrier employees to honor hot cargo contracts are not T-H violations, but the only way the union has to enforce a legal contract.

The NLRB itself will now tell the Supreme Court that its later ruling in the "Genuine Parts" case, that such clauses are illegal when signed with common carriers, bolsters its holding in the milk drivers and general drivers cases. So, though technically the "Genuine Parts" theory is not before the court, observers believe the court can, and will, consider this aspect in deciding the pending cases.

here's a chance, considered remote by the experts, the court might send the two trucking cases back to the lower courts or NLRB for reconsideration in light of the subsequent "Genuine Parts" and ICC rulings. NLRB

lawyers, however, expect the court will resolve the whole controversy this term on the basis of the pending cases.

Terminal Established

Bedford Park, Ill.—A storage and distribution terminal for liquid caustic soda has been established here by the industrial chemicals division of Olin Mathieson Chemical Corp.

Midwest Teamsters Approve Agreement

Chicago — Midwest teamster union leaders have approved a tentative agreement reached last month with truck firms in 13 states. The pact calls for increased wages and other benefits amounting to 42 cents an hour over a three-year period.

The agreement, affecting 132,000 union members, covers over-the-road cartage contracts. The wage increases will be 10 cents an hour on Feb. 1, and 7 cents an hour on Feb. 1 in 1959 and 1960. Remainder of the package consists of improved health, welfare, and pension benefits.

Too Timid On Strikes Says Industrialist

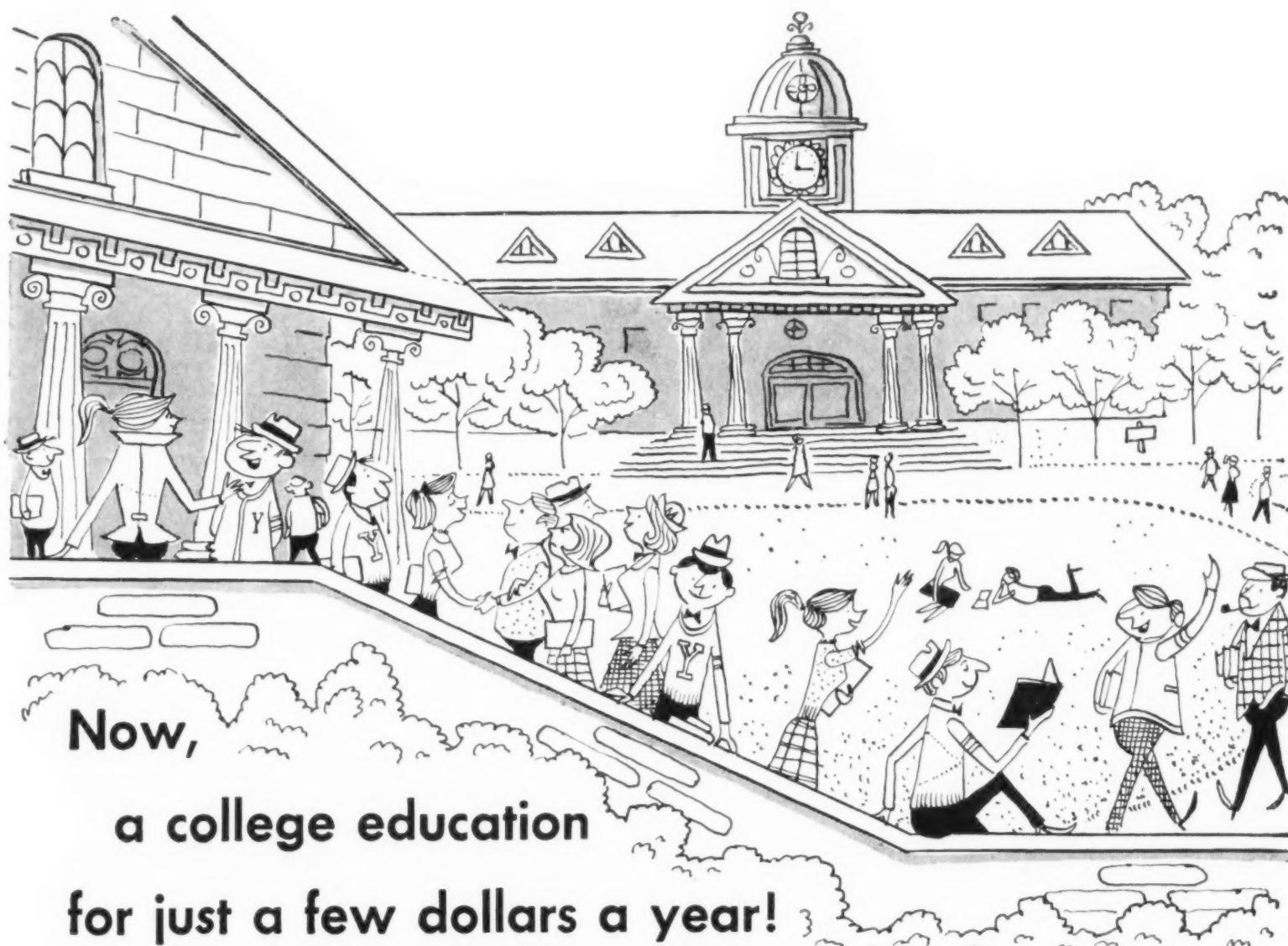
Philadelphia—A Pittsburgh industrialist says management has been "too timid about strikes." Leland Hazard, vice president of Pittsburgh Plate Glass Co., told a group of Delaware Valley business and banking officials management should try to stop "creeping inflation" in 1958 by saying "no" to wage demands.

"Higher wages, higher prices... the circle is vicious," Hazard said last week. "Management says to labor, keep the wage down. Labor retorts that the cost of living keeps going up, that labor must run faster to stay where it is, and that management does not

need to increase prices." Hazard said, "management must begin now to refuse wage increases even though we know that our refusals will produce strikes."

Richardson Opens Office

Clifton, N. J.—Richardson Scale Co. has opened a new district sales office at Boylston Center, Mass., to give better service and engineering representation in the New England area. Joseph Vogel heads the new office as district manager.



Some time ago, a man called your name, and you walked across a stage, and were handed a diploma. Were you proud! You were educated. The world was your oyster.

You promised yourself then that you would keep your education alive. That you'd go back and earn that graduate degree. Or brush up at night school, or some summer seminar. But then you met that pretty girl. A few years later — the stork, the new house on Cedar Road... everything seemed to happen at once.

Meanwhile, back on the job, you were busier and busier. Company expanding. New products. New problems. Nights when you got home, you were really beat. After dinner, you'd park yourself in your easy chair, find your mind wandering to the future — "Am I slipping? Is management passing me by?"

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				2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	



SINGLE ROW DEEP GROOVE BALL BEARINGS

FEBRUARY


S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29



SELF ALIGNING BALL BEARINGS

MARCH

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29



DOUBLE ROW DEEP GROOVE BALL BEARINGS

APRIL

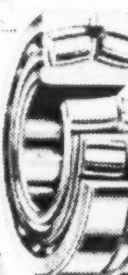
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			



ANGULAR CONTACT BALL BEARINGS

MAY


S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31



SPHERICAL ROLLER BEARINGS

JUNE


S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					



CYLINDER ROLLER BEARINGS

JULY


S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29



TYSON TAPERED ROLLER BEARINGS

AUGUST


S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29



BALL THRUST BEARINGS

SEPTEMBER

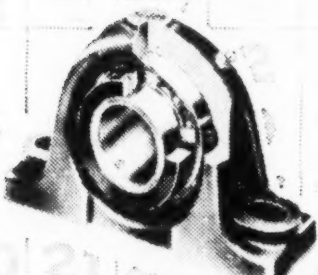
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					



SPHERICAL ROLLER THRUST BEARINGS

OCTOBER


S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29



"SY" UNIT PILLOW BLOCKS

NOVEMBER

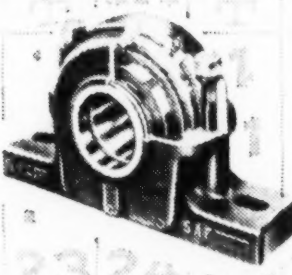
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29



"FY" FLANGED MOUNTINGS

DECEMBER

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				



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